

**NJ TRANSIT BOARD MEETING
MINUTES
OPEN SESSION
5/11/2011**

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director

NJ TRANSIT

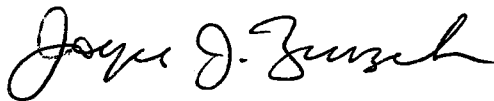
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

May 13, 2011

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Wednesday, May 11, 2011.

Sincerely,



Joyce J. Zuczek
Acting Board Secretary

Enclosures

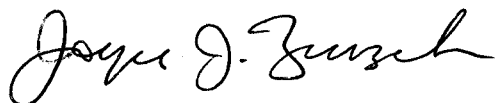
Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

May 13, 2011

Dear Governor Christie:

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Sincerely,

A handwritten signature in black ink, appearing to read "Joyce J. Zuczek". The signature is fluid and cursive, with the first name "Joyce" being the most prominent.

Joyce J. Zuczek
Acting Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

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Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, May 11, 2011.

Present:

James S. Simpson, Chairman
Myron P. Shevell, Vice Chairman
Johanna Jones, Governor's Representative
Steve Petrecca, Treasurer's Representative
Flora Castillo

James Weinstein, Executive Director
Joyce J. Zuczek, Acting Board Secretary
Penny Bassett-Hackett, Acting Assistant Executive Director, Communications & Customer Service
James Gigantino, Vice President & General Manager, Bus Operations
Kevin O'Connor, Vice President & General Manager, Rail Operations
Christopher Trucillo, Chief of Police
Kim Vaccari, Chief Financial Officer & Treasurer
Steve Santoro, Assistant Executive Director, Capital Planning & Programs
Alma Scott-Buczak, Assistant Executive Director, Human Resource
Leotis Sanders, Vice President, Office of Civil Rights and Diversity Programs
Arthur Kent, Manager, Internal & IS Audits
Kenneth Worton, Deputy Attorney General

Chairman Simpson convened the Open Session at 9:05 a.m. in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations, attorney-client, litigation and personnel matters. A motion was made by Johanna Jones, seconded Myron P. Shevell and unanimously adopted.

Chairman Simpson reconvened the Open Session at 9:30 a.m. and asked for a motion to adopt the minutes of the March 9, 2011 meetings. A motion was made by Myron P. Shevell seconded by Johanna Jones and adopted.

Executive Director James Weinstein highlighted the following from his monthly business report.

SECURITY

Executive Director Weinstein addressed the security of the NJ TRANSIT system in light of last week's news concerning the death of Osama bin Laden. Safety and security are paramount to NJ TRANSIT. Executive Director Weinstein assured that NJ TRANSIT Police, in cooperation with law enforcement partners, will continue to maintain a heightened state of vigilance across the system. While there is no specific or credible threat against the NJ TRANSIT system at this time, customers may notice an increased police presence in and around key locations, including state, local and NJ TRANSIT police.

Executive Director Weinstein assured that the police department maintains close communication with the New Jersey Office of Homeland Security and Preparedness,

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the FBI, and agencies at the municipal, county, state and federal levels. Countermeasures and system monitoring continue to include random baggage screening, K-9 deployment, plainclothes and uniformed patrols and community outreach.

Executive Director Weinstein also reminded customers and employees of the important role they play as the “eyes and ears” of the system, and urged anyone who sees suspicious activity or unattended packages at stations, aboard trains or buses, or near transit facilities to report it to NJ TRANSIT Police, either by notifying the nearest officer, or by calling our security hotline at 1-888-TIPS-NJT.

The police remain vigilant in monitoring the NJ TRANSIT system, and it is important that everyone, employees and customers, remain vigilant and aware of their surroundings as well.

QUIET COMMUTE HOBOKEN

Executive Director Weinstein said, last fall, NJ TRANSIT launched the “Quiet Commute” program on the busiest trains to test the feasibility of offering a Quiet Car amenity on the rail system.

After receiving overwhelmingly positive feedback from customers, NJ TRANSIT expanded the program in January to include all weekday peak period, peak direction trains that begin or end their trips at New York or Newark Penn Station, including Midtown Direct, North Jersey Coast, Raritan Valley and additional Northeast Corridor trains.

Executive Director Weinstein was pleased to announce the expansion of Quiet Commute to the lines serving Hoboken Terminal. Starting June 1, NJ TRANSIT will add Quiet Commute cars to all peak period, peak direction trains that begin or end their trips at Hoboken Terminal. In other words, Quiet Commute cars will be offered on trains that arrive in Hoboken between 6:00 a.m. and 10:00 a.m., and trains that depart Hoboken between 4:00 p.m. and 8:00 p.m. This will expand the program to include the Pascack Valley, Main, Bergen County and Port Jervis lines, as well as additional trains on the Morris & Essex and Montclair-Boonton lines.

The designated Quiet Commute car will be the first car on peak period trains traveling into Hoboken, and the last car on trains departing Hoboken, with seating on a first-come, first-served basis. Existing Quiet Commute cars on the Northeast Corridor, North Jersey Coast, Midtown Direct and Raritan Valley lines will remain designated as the first and last cars. Because peak periods are not defined on the Atlantic City Rail Line, Quiet Commute is not being offered.

Executive Director Weinstein said, Quiet Commute is an effort to balance the needs of those passengers who wish to stay connected while en route with those who want to relax or work in a quiet atmosphere without distractions.

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In Quiet Commute cars, NJ TRANSIT asks customers to refrain from cell phone use, disable the sound feature on mobile devices and laptop computers, and keep conversation to a minimum and speak only in quiet voices.

As NJ TRANSIT gets ready to roll out the final phase of the Quiet Commute program, Executive Director Weinstein thanked customers and employees, particularly the train crews, for their invaluable feedback during the initial pilot and subsequent expansion and looks forward to hearing from customers on the remaining lines about their experiences with the Quiet Commute program.

COO COO

Executive Director Weinstein was pleased to announce that NJ TRANSIT is partnering with an agency called “Coo Coo” to provide the rail customers with a text messaging option to receive schedule information.

Coo Coo is a third-party text engine company based in Long Island that already works with the Metropolitan Transit Authority (MTA) to provide Metro-North and Long Island Rail Road train schedule information.

To access rail schedule information, customers simply text a short message to 266266, which spells Coo Coo, and Coo Coo will text back the requested information.

For example, text “Trenton to New York Penn,” CooCoo will respond with the next scheduled trains as a list of menu options. For more information, text the letter of the menu option, and Coo Coo will respond with details such as fares and travel time, as well as any real-time information from DepartureVision.

Through Coo Coo, customers will also be able to get regional travel advice for trips across multiple agencies. For example, text “Trenton to Jamaica,” and CooCoo will provide the NJ TRANSIT trip from Trenton Transit Center to New York Penn Station, as well as the Long Island Rail Road trip from New York to Jamaica, Queens.

As another example, text “Trenton to Poughkeepsie,” and Coo Coo will provide the trip from Trenton to New York, suggest taking a cab to Grand Central, and then provide the Metro-North trip to Poughkeepsie.

NJ TRANSIT has been working towards giving customers as many options as possible to access travel information while on the go, such as DepartureVision, My Bus, Twitter feeds, and the mobile version of njtransit.com.

By partnering with Coo Coo, NJ TRANSIT is providing customers with an additional trip-planning tool, while also tapping into a source of non-farebox revenue, since NJ TRANSIT will share a percentage of advertising revenue generated by CooCoo.

HUDSON-BERGEN LIGHT RAIL ROUTE 440

Executive Director Weinstein said there is an item for the Board’s consideration that would advance a project to extend Hudson-Bergen Light Rail service farther west in Jersey City. NJ TRANSIT recently completed an alternatives analysis to explore the

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feasibility of a western light rail extension across Route 440 to a redevelopment area along the Hackensack Riverfront.

The next step in the federal process to become eligible for funding is for the Board to adopt a Locally Preferred Alternative that formally designates the configuration of tracks, station and other improvements; as well as to authorize the Locally Preferred Alternative's submission to the North Jersey Transportation Authority for designation and inclusion in its Long Range Regional Transportation Plan.

Under the Locally Preferred Alternative, the project would include construction of a 0.7-mile, two-track extension of Hudson-Bergen Light Rail from the existing West Side Avenue Station across Route 440 to the northern end of the redevelopment zone. The extension would be constructed entirely on an elevated viaduct and would include a new center-island platform station.

An extension of Hudson-Bergen Light Rail to this area would support the development, address traffic congestion along the heavily-used Route 440 and secondary roads, and provide customers with ready access to light rail service along this busy corridor.

A new station across Route 440 would be the Hudson-Bergen Light Rail's 25th station, more than double the number of stations the system connected when it first launched in April 2000.

The system serves about 40,000 trips on a typical weekday and continues to write its own success story, serving as an economic engine along the alignment and providing residents with access to safe, affordable, convenient transportation.

LOW-FLOOR BUSES

Executive Director Weinstein said the Board will consider an item that would introduce the State to its very first low-floor buses. The purchase of 39 buses featuring a customer-friendly, low-floor design will enable the agency to better serve bus routes throughout New Jersey, allowing for faster, easier boarding and alighting. These buses will supplement the 1,145 transit and suburban-style buses that are already being delivered as we renew the bus fleet, allowing NJ TRANSIT to replace some of the older buses on routes that serve Atlantic and Morris counties.

Executive Director Weinstein noted that NJ TRANSIT is nearing the 50 percent delivery mark on the order of 1,145 buses, with the bus marking the halfway point expected to arrive in New Jersey within weeks. Delivery of the low-floor buses is expected by the end of next year.

BEST PLACES TO WORK AWARD

Executive Director Weinstein reported that NJ TRANSIT was recently presented with the Best Employer award in the Transportation Division as part of the "Job Trends Best Places to Work 2011" awards. The award is conducted by PhillyBurbs.com, which publishes papers in South Jersey and Pennsylvania, including the Burlington County Times, The Intelligencer and the Bucks County Courier Times. Through ballots in their

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newspapers and online, the Job Trends award asked area workers to nominate their bosses and places of employment in a number of categories.

NJ TRANSIT employees nominated the agency for Best Employer Overall and Most Flexible Workplace, and their votes gave us the honor of being the Best Employer in the Transportation Division. Representatives from the Job Trends award visited NJ TRANSIT's Newton Avenue facility recently to present the agency with a plaque commemorating the honor.

Executive Director Weinstein congratulated and thanked the employees for making NJ TRANSIT one of the best places to work.

DUAL-POWERED LOCOMOTIVE

Executive Director Weinstein unveiled NJ TRANSIT's very first dual-powered locomotive, which can operate in both electrified and non-electrified territory. Executive Director Weinstein said it is an exciting day for NJ TRANSIT, as it steps forward in the modernization of the rail fleet, and also brings this technology to North America for the first time. These new locomotives will have the benefit of being quieter, more fuel efficient and more environmentally-friendly than the locomotives it will replace, some of which are 40 years old. The locomotive also offers greater operating flexibility by standardizing the equipment so that NJ TRANSIT will have a mode of power that can be used anywhere on the system. There are 26 locomotives on order, with delivery expected to be completed late next year.

Executive Director Weinstein invited everyone to join him across the street at Newark Penn Station, where the new locomotive was on display on Track A.

ADVISORY COMMITTEE

No Advisory Committee report was presented.

BOARD COMMITTEE REPORTS

Board Member Myron P. Shevell presented the Capital Planning, Policy & Privatization report to the Board. The Committee discussed the Hudson County local bus service. The four bus routes serve a combined ridership of 2.44 million annual passenger trips. After a competitive bid process, staff is seeking authorization to contract with the Number 22 Hillside to operate this service. Also discussed was the purchase of 39 low floor transit buses to replace the aging 1999 Nova B buses which have exceeded their useful life and are eligible for replacement.

Board Member Flora Castillo presented the Administration Committee report to the Board. The Committee discussed the sole and single source vendors item with regard to the purchase of replacement parts and services for bus, rail, light rail and headquarters. The original equipment manufacturers generally have proprietary control over the manufacture of parts and components to repair and maintain rolling stock. The total requested authorization for this item is \$20,000,000.

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PUBLIC COMMENTS ON AGENDA ITEMS

There were three public comments on agenda items. Acting Board Secretary Zuczek announced a three minute time limit for speakers.

Murray Bodin stated that while recently hiking in the Swiss Alps he was able to observe the kneeling buses used in Europe. He stated that those buses tipped entirely, not just in the front. He is concerned that the low-floor buses NJ TRANSIT is purchasing are not as accessible.

David Peter Allen stated that he is glad to see that NJ TRANSIT is purchasing low-floor buses and the Senior Citizens and Disabled Residents Transportation Advisory Panel (SCDRTAP) of which he is Vice Chair, will be following the progress of their utilization. He further stated that Jeff Marinoff from South Jersey has requested that these low-floor buses be used in Atlantic City.

Mr. Allen stated that he is gratified to hear that the Quiet Car program will be introduced on Hoboken Division trains. He expressed concern about the Sole Source item on the agenda questioning whether sufficient due diligence had been undertaken.

Mr. Allen commented that the Elm Street Bridge rehabilitation is much-needed and that the Lackawanna Coalition will continue to work to ensure that the Morris & Essex Line is in a state-of-good-repair. He commented on the Lockbox item and questioned that need for the banking services. Finally, Mr. Allen stated that the expansion of the Hudson-Bergen Light Rail to Route 440 is a good idea. However, he stated that the information disseminated prior to the Board meeting did not meet the spirit of "right to know" as it did not fully describe the proposed alignment nor did it include any maps. He requested that the public be given an opportunity to comment. He also questioned why it was on the Consent Calendar rather than the Action Calendar.

Joseph M. Clift commented that the item for Lockbox Services was unclear as to whether the requested authorization was \$266,000 over five years or \$266,000 per year for five years. He also stated that the item did not indicate if the service was competitively bid. Mr. Clift stated that NJ TRANSIT charges a \$3 fee for customers to get their tickets by mail while the MTA/LIRR offered these tickets at a two percent discount. He questioned why NJ TRANSIT does not offer a similar discount.

Executive Director Weinstein presented the following Action Items for approval:

1105-15: HUDSON COUNTY LOCAL BUS SERVICE

The four Hudson County Local Bus lines carries over 2 million annual passenger trips through Hudson County and the surrounding area. This service is provided by a contract carrier and, after a competitive procurement, authorization is requested to renew that contract with Number 22 Hillside of Hoboken, New Jersey. The contract is proposed for a 36-month base term, with two additional two-year option periods, for a

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total of 84 months from June 2011 through June 2018. The total cost will not exceed \$49,273,013 plus five percent contingencies.

Myron P. Shevell moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

1105-16: SOLE/SINGLE SOURCE VENDORS PURCHASE OF REPLACEMENT PARTS AND SERVICES (BUS, RAIL, LIGHT RAIL AND HEADQUARTERS)

Materials and services which are available from only one source of supply are exempt from competitive procurement. For the most part, the vendors have proprietary control over the manufacture of parts and components and the provision of technical services for NJ TRANSIT equipment. NJ TRANSIT continually seeks to develop specifications to reduce reliance on sole source vendors. Authorization is requested to enter into sole or single source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A in the agenda, subject to adjustments, to support Bus, Rail, Light Rail and Headquarters operations at a cost not to exceed \$20,000,000 for a 12-month period. The Board will be notified of new firms whose aggregate spending exceeds \$250,000 within the fiscal year.

Myron P. Shevell recused himself from voting on this item. Steve Petrecca moved the resolution, Flora Castillo seconded it and it was adopted.

1105-17: LOW-FLOOR TRANSIT BUSES: PURCHASE OF 39 VEHICLES

The 1999 Nova B buses have exceeded their useful life and are eligible for replacement under the Federal Transit Administration guidelines. Authorization is requested to purchase 39 low-floor transit buses to replace that aging fleet. These buses will be compliant with the Americans with Disabilities Act and will incorporate technologies to reduce exhaust emissions as prescribed by the Clean Air Act Amendment. Authorization is requested to contract with North American Bus Industries for the purchase of 39 low-floor transit buses plus spare parts at a cost not to exceed \$17,230,223, plus five percent for contingencies.

Flora Castillo moved the resolution, Steve Petrecca seconded it and it was unanimously adopted.

1105-18: MORRISTOWN LINE KINGS ROAD RETAINING WALL AND ELM STREET BRIDGE REPAIRS IN MADISON, NEW JERSEY

The Morristown Line serves nearly 55,000 people daily in Morris, Union & Essex counties. In the Borough of Madison, a concrete retaining wall along Kings Road carries the railroad through the business district and the Elm Street Bridge supports the railroad over Elm Street. These structures were built with reinforced concrete which was an innovative building

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method at the time. Repairs to the retaining wall and bridge will restore the structures to good condition. Authorization is requested to enter into a contract with Precision General Contractors to perform repairs to the Kings Road Retaining Wall and Elm Street Bridge at a cost not to exceed \$1,368,000, plus five percent for contingencies.

Myron P. Shevell moved the resolution, Steve Petrecca seconded it and it was unanimously adopted.

1105-19: RIVER LINE SIGNAL SYSTEM IMPROVEMENTS: CONTRACT AMENDMENT FOR DESIGN AND CONSTRUCTION

The River LINE is a 34.5 mile light rail service operating between Camden and Trenton, serving 19 communities in three counties. The operation and maintenance of the River LINE is provided by contract with Southern New Jersey Rail Group. The signal improvements will enhance safety and reliability, reduce delay recovery time and improve clearance times between the Camden Yard Facility and the main-line track. Authorization is requested to enter into a sole source contract with the Southern New Jersey Rail Group for signal system improvements on the River LINE at a cost not to exceed \$2,400,000, plus five percent for contingencies.

Myron P. Shevell moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

Executive Director Weinstein presented the following Consent Calendar for approval:

1105-20: INFORMATION TECHNOLOGY AUDIT SERVICES AGREEMENTS

Authorization to award contracts to the three qualified firms listed below to perform co-sourced IT audit services for a three-year term with two option years and a total not to exceed \$750,000, plus five percent contingency subject to the availability of funds.

1. Altran Control Solutions, New York, New York
2. Clifton Gunderson LLP, Haddonfield, New Jersey
3. Grant Thornton LLP, Mount Laurel, New Jersey

1105-21: TICKETS BY MAIL LOCKBOX SERVICES

Authorization to contract with JP Morgan Chase Bank, NA to provide Tickets By Mail Lockbox Services for a period of three years with two one-year options at a cost not to exceed \$266,495.

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1105-22: HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION: SELECTION OF LOCALLY PREFERRED ALTERNATIVE

Authorization to adopt the Hudson-Bergen Light Rail Route 440 alternatives analysis Locally Preferred Alternative set forth in Exhibit A.

Authorization to submit the Hudson-Bergen Light Rail Route 440 alternatives analysis Locally Preferred Alternative to the North Jersey Transportation Planning Authority Board of Trustees for designation and inclusion in the North Jersey Transportation Planning Authority's Long Range Regional Transportation Plan.

Board Member Castillo requested further explanation of the item, Tickets By Mail Lockbox Services, to respond to the public comment.

Chief Financial Officer Vaccari said this service allows for the prompt and accurate recording of customer payments as well as returned tickets. Returned passes and correspondence from customers are also processed by the lockbox service provider.

The Consent Calendar was moved in its entirety by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted.

Public Comments on Non-Agenda Items

There were five public comments on non-agenda items. Acting Board Secretary Zuczek announced a three minute time limit for speakers.

Murray Bodin started his comments by stating that the Board and Executive Management Team seated at the tables should have computers in front of them; the world is revolving around electronics. The NJ TRANSIT Board should be setting the agenda.

Mr. Bodin continued with comments on looking at problems differently. Specifically he commented on transporting freight, instead of putting containers onto rail cars the containers should be equipped with wheels allowing them to ride directly on the rails. In that case smaller engines could be used to pull a few containers rather than linking them in long consists. Since these consists would be shorter the required stopping distance would be shorter. Mr. Bodin further stated that the region needs an additional freight tunnel between New Jersey and New York.

Ray Greaves, Chairman of the Amalgamated Transit Union's New Jersey State Joint Council, introduced himself and his Business Agents who represent more than 5,000 bus drivers, light rail operators, mechanics, clerical and field salary employees of NJ TRANSIT Bus Operations. Mr. Greaves said he was elected to the Chairman position on January 1, 2011. Mr. Greaves introduced some of the Business Agents from the eight locals that represent the various locations across New Jersey. Mr. Greaves introduced Mike Clifford, Local 820 who is filling in for Lou Castro, Earl Hardy, Local

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821, Michele Vigh, Local 822, Nancy Spence, Local 823, Richard Stark, Local 825. Mr. Greaves said Ben Evans, Local 819, Jack Hill, Local 824 and Joe Sullivan, Local 880 were unable to attend today's meeting.

Mr. Greaves said they were all duly elected by the membership and it is their obligation to serve them. They take great pride in the fact that the Amalgamated Transit Union has a long history of protecting workers' rights and through the years they have made positive strides in improving the quality of life for those they represent. Through contract negotiations, labor relations, civic action and legislation, the Amalgamated Transit Union has always been seen as a well-respected leader in the labor movement. It is their intention to keep with tradition and not fall by the way side.

The Amalgamated Transit Union has always sought to work together with NJ TRANSIT, whether it has been fighting for and securing Federal and State funding, or finding ways of improving not only NJ TRANSIT's reputation, but its vital and essential services that millions of people have come to depend on year after year. Mr. Greaves said he is comfortable in saying NJ TRANSIT is the way to go and a great deal of credit goes to the members of the Amalgamated Transit Union who faithfully operate and maintain the best transit system in the nation.

Mr. Greaves appreciates the working relationship with Mr. Gigantino and his staff, but he believes in this day and age of anti-union aspersions and innuendoes that are seen in the media, it is imperative to have the cooperation of Labor Relations in ensuring that matters are worked out in a diligent and fair manner.

Mr. Greaves summed up what he believes the Amalgamated Transit Union is all about and what will keep NJ TRANSIT progressing into the future with a quote from Henry Ford "Coming together is the beginning. Keeping together is progress. Working together is success.

David Peter Alan said the topic of connectivity by rail has come up quite a bit lately. Mr. Alan recently moderated a panel at a rail conference in New haven on the subject of Connecting New England with south of New York. He said that means a strong Northeast Corridor line between Boston and Washington, D.C. with connections to the many regional rail systems including NJ TRANSIT that operate in the region.

Mr. Alan said connection requires cooperation. It requires cooperation between the elected leaders, transportation administrators (federal, state and local), Amtrak and the other transit providers, including NJ TRANSIT. It requires cooperation between the states in the region and federal transportation authorities. It requires cooperation between Republicans and Democrats. Passenger railroading has become a political occupation, but the riders do not care about the politic. They want to take the train to their destination, safely and quickly.

Mr. Alan said the Lackawanna Coalition is continuing their campaign for an affordable alternative to the former Access to the Region's Core project or Amtrak's Gateway proposal that will provide additional access to New York's Penn Station, at an affordable cost. Money is scarce and every dollar must count. If New Jersey rail riders are to ever have East Side access, their West Side access must be improved at the most

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affordable and reasonable cost. A new tunnel directly to Penn Station and new track from Swift Interlocking, where the Morris & Essex Line meets the Northeast Corridor, will provide needed extra capacity, with redundancy in case of emergency. The Coalition is looking into the feasibility of building one track now and another track later, only after the need for it has been demonstrated. This incremental approach will bring New Jersey much of the benefit of the Amtrak Gateway Project, with the \$13.5 billion cost. It will allow more trains, including from the Raritan Valley Line, into Penn Station at the most critical time of day.

To make a project like this successful, everybody must work together, regardless of ideology or politics. The ideology must be better transit and the politics must include whatever is required to focus the decision-makers on the goal of improving the railroad as economically and cost-effectively as possible.

Mr. Alan was delighted to learn that the Northeast Corridor will receive nearly \$800 million in funding for improvements along the line. New Jersey will receive a large share, and he hopes the proposed upgrades will improve reliability for trains as well as speed. A strong regional corridor helps every local line that connects with it. Mr. Alan thanked Governor Rick Scott of Florida for turning down the high-speed rail grant because now it will be available for New Jersey and the Northeast.

Joseph M. Clift stated that he was speaking for himself, not as a representative of any group. Mr. Clift spoke about the Northeast Corridor reliability and capacity. He stated that the Gateway Tunnel and Portal Bridge projects will cost \$15 billion. The funding received by Amtrak for improvements to the Northeast (\$450 million) will be concentrated south of New Brunswick, leaving the 1934 catenary system north of New Brunswick in place. Amtrak's application for \$800 million for the Portal Bridge replacement was turned down. NJ TRANSIT needs to get "back in the game" to develop incremental affordable improvements to the Northeast Corridor.

Leonard Nix stated that he has been trying to activate rail service on the New York Susquehanna and Western (NYS&W) tracks between Hawthorne and the Edgewater Tunnel as well as on the Northern Branch between North Bergen and, eventually, Stewart Airport in New York. He stated that there are lost opportunities there as well as at the proposed Wesmont Station.

Adjournment

Since there were no further comments or business, Chairman Simpson called for adjournment and a motion to adjourn was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted. The meeting was adjourned at approximately 10:35 a.m.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS

MAY 11, 2011

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*Administration Committee	
➤ PUBLIC COMMENTS ON AGENDA ITEMS	

ACTION ITEMS

1105-15	HUDSON COUNTY LOCAL BUS SERVICE	43118
	<p>Authorization to enter into a contract (No. 11-023) with Number 22 Hillside, LLC of Hoboken, New Jersey, to operate four routes in the Hudson County area for a 36-month base contract term, with two additional two-year option periods, for a total of 84 months from June 26, 2011 through June 30, 2018, at a total cost not to exceed \$49,273,013, plus five percent for contingencies, subject to the availability of funds.</p>	
1105-16	SOLE/SINGLE SOURCE VENDORS PURCHASE OF REPLACEMENT PARTS AND SERVICES (BUS, RAIL, LIGHT RAIL AND HEADQUARTERS)	43121
	<p>Authorization to enter into sole or single source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A (subject to adjustments), to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$20,000,000. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period.</p>	

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
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1105-17 LOW-FLOOR TRANSIT BUSES: PURCHASE OF 39 VEHICLES 43128

Authorization to enter into a contract (No. 11-029) with North American Bus Industries (NABI) of Anniston, Alabama, for the purchase of 39 low-floor transit buses plus capital spare parts at a cost not to exceed \$17,230,223 plus five percent for contingencies, subject to the availability of funds.

1105-18 MORRISTOWN LINE KINGS ROAD RETAINING WALL AND ELM STREET BRIDGE REPAIRS IN MADISON, NEW JERSEY 43131

Authorization to enter into a contract (No. 11-053X) with Precision General Contractors, Inc. of Livingston, New Jersey to perform the repairs to the Kings Road Retaining Wall and Elm Street Bridge on NJ TRANSIT's Morristown Line, in the Borough of Madison, Morris County at a cost not to exceed \$1,368,000, plus five percent for contingencies, subject to the availability of funds.

1105-19 RIVER LINE SIGNAL SYSTEM IMPROVEMENTS: CONTRACT AMENDMENT FOR DESIGN AND CONSTRUCTION 43134

Authorization to amend the sole source contract (No. 10-022) with Southern New Jersey Rail Group, LLC of Camden, New Jersey, for signal system improvements on the River LINE at a cost not to exceed \$2,400,000, plus five percent for contingencies, for a total contract authorization of \$2,919,525, subject to the availability of funds.

CONSENT CALENDAR

1105-20 INFORMATION TECHNOLOGY AUDIT SERVICES AGREEMENTS 43138

Authorization to award contracts to the three qualified firms listed below to perform co-sourced Information Technology audit services for a three-year term with two option years and a total not to exceed \$750,000, plus five percent contingency subject to the availability of funds.

1. Altran Control Solutions, New York, New York
2. Clifton Gunderson LLP, Haddonfield, New Jersey
3. Grant Thornton LLP, Mount Laurel, New Jersey

1105-21 TICKETS BY MAIL LOCKBOX SERVICES 43141

Authorization to contract with JP Morgan Chase Bank, NA to provide Tickets By Mail Lockbox Services for a period of three years with two one-year options at a at a cost not to exceed \$266,495.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
MAY 11, 2011
MINUTES
PAGE 3

**1105-22 HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION: SELECTION OF 43143
LOCALLY PREFERRED ALTERNATIVE**

Authorization to adopt the Hudson-Bergen Light Rail Route 440 alternatives analysis Locally Preferred Alternative set forth in Exhibit A.

Staff also requests authorization to submit the Hudson-Bergen Light Rail Route 440 alternatives analysis Locally Preferred Alternative to the North Jersey Transportation Planning Authority Board of Trustees for designation and inclusion in the North Jersey Transportation Planning Authority's Long Range Regional Transportation Plan.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss contract negotiations and attorney-client, litigation and personnel matters; and

BE IT FURTHER RESOLVED that it is expected that discussions undertaken at this executive session could be made public at the conclusion of these matters as appropriate.

APPROVAL OF MINUTES

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors be approved by the Board; and

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the March 9, 2011, Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on March 11, 2011;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the March 9, 2011 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director



One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

TO: BOARD OF DIRECTORS
FROM: JAMES W. WEINSTEIN *James Weinstein*
DATE: MAY 11, 2011
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – MAY 2011

In light of last week's news concerning the death of Osama bin Laden, I want to assure you that NJ TRANSIT Police, in cooperation with our law enforcement partners, will continue to maintain a heightened state of vigilance across the system, although there is no specific or credible threat against the NJ TRANSIT system at this time. It is important to note that our police department maintains close communication with the New Jersey Office of Homeland Security and Preparedness; the FBI; and agencies at the municipal, county, state and federal levels. Our police remain vigilant in monitoring the NJ TRANSIT system, and it is important that all of us—employees and customers alike—remain vigilant and aware of our surroundings as well. To that end, we are reminding customers and employees who see suspicious activity or unattended packages at stations, aboard trains or buses, or near transit facilities to report it to NJ TRANSIT Police at 1-888-TIPS-NJT.

Turning to today's agenda, there is an item for the Board's consideration that would advance a project to extend Hudson-Bergen Light Rail service farther west in Jersey City. We recently completed an alternatives analysis to explore the feasibility of a western light rail extension across Route 440 to a redevelopment area along the Hackensack Riverfront. The next step in the federal process to become eligible for funding is for the Board to adopt a Locally Preferred Alternative that formally designates the configuration of tracks, station and other improvements; as well to authorize the LPA's submission to the North Jersey Transportation Authority for designation and inclusion in its Long Range Regional Transportation Plan. An extension of HBLR to this area would support the development, address traffic congestion along the heavily-used Route 440 and secondary roads, and provide customers with ready access to light rail service along this busy corridor.

Also for the Board's consideration is an item that would introduce the State to its very first low-floor buses. The purchase of 39 buses featuring a customer-friendly, low-floor design will enable the agency to better serve bus routes throughout New Jersey, allowing for faster, easier boarding and alighting. These buses will supplement the 1,145 transit and suburban-style buses that are already being delivered as we renew our bus fleet, allowing us to replace some of our older buses on routes that serve Atlantic and Morris counties. Delivery of the low-floor buses is expected by the end of next year.

Last fall, we launched the "Quiet Commute" program on our busiest trains to test the feasibility of offering a Quiet Car amenity on our rail system. After receiving overwhelmingly positive feedback from our customers, we expanded the program in January to include all weekday peak period, peak direction trains that begin or end their trips at New York or Newark Penn Station, including Midtown Direct, North Jersey Coast, Raritan Valley and additional Northeast Corridor trains. Starting June 1, NJ TRANSIT will add Quiet Commute cars to all peak period, peak direction trains that begin or end their trips at Hoboken Terminal, expanding the program to include the Pascack Valley, Main, Bergen County and Port Jervis lines, as well as additional trains on the Morris & Essex and Montclair-Boonton lines. The designated Quiet Commute car will be the first car on peak period trains traveling into Hoboken, and the last car on trains departing Hoboken, with seating on a first-come, first-served basis. As we get ready to roll out the final phase of the Quiet Commute program, I'd like to thank our customers and employees, particularly our train crews, for their invaluable feedback during the initial pilot and subsequent expansion. We look forward to hearing from our customers on our remaining lines about their experiences with the Quiet Commute program.

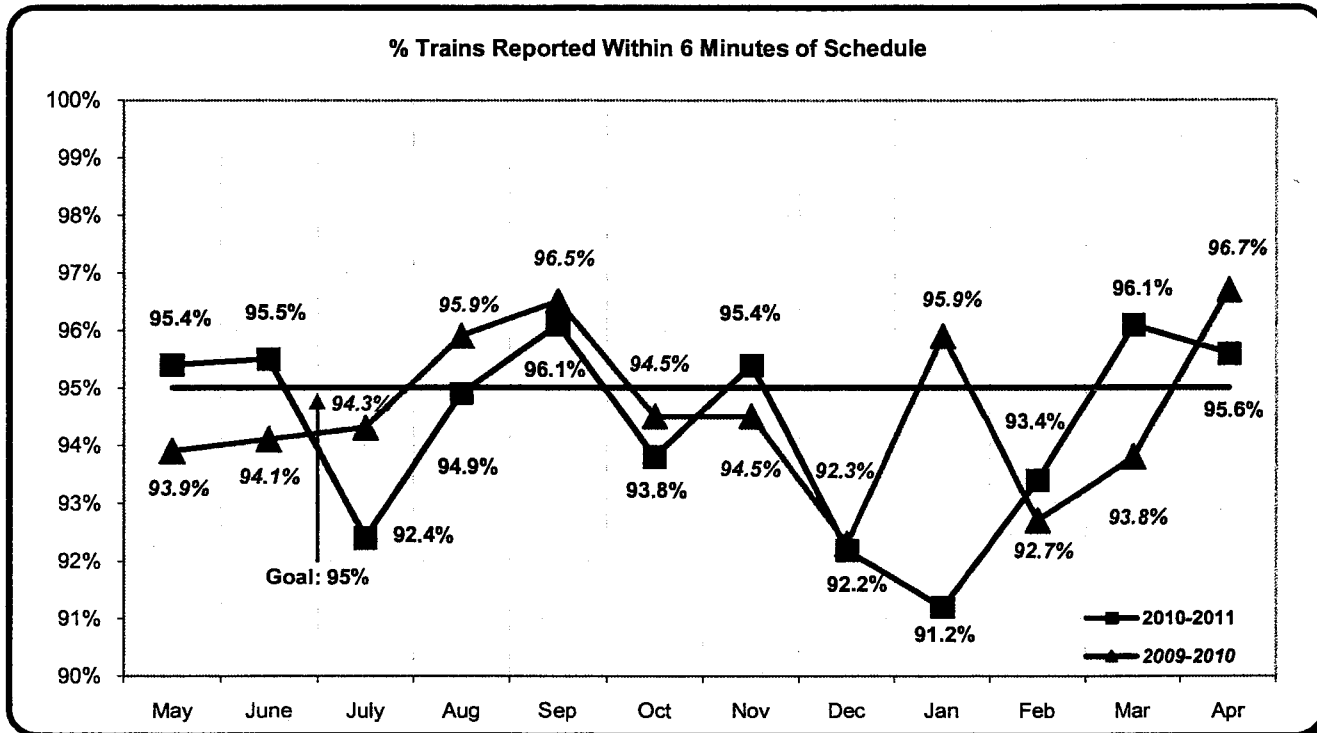
Finally, today I'm also pleased to announce that NJ TRANSIT is partnering with an agency called "CooCoo" to provide our rail customers with a text messaging option to receive schedule information. CooCoo is a third-party text engine company based in Long Island that already works with the MTA to provide Metro-North and Long Island Rail Road train schedule information. To access rail schedule information, customers simply text a short message to 266266 (CooCoo), and CooCoo will text back the requested information. We have been working toward giving our customers as many options as possible to access travel information while on the go, such as DepartureVision, My Bus, Twitter feeds, and the mobile version of njtransit.com. By partnering with CooCoo, we are providing our customers with an additional trip-planning tool, while also tapping into a source of non-farebox revenue, since we will share a percentage of advertising revenue generated by CooCoo.

EXECUTIVE DIRECTOR'S MONTHLY REPORT MAY 2011

- 1. PERFORMANCE MEASURES**
- 2. DBE/MBE PROGRAM**
- 3. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL MAY 2009 - APRIL 2011



April Comparison	2010	2011	# Change
	96.7%	95.6%	-1.1%

12-Month Average May - April	2009-2010	2010-2011	# Change
	94.6%	94.3%	-0.3%

Analysis:

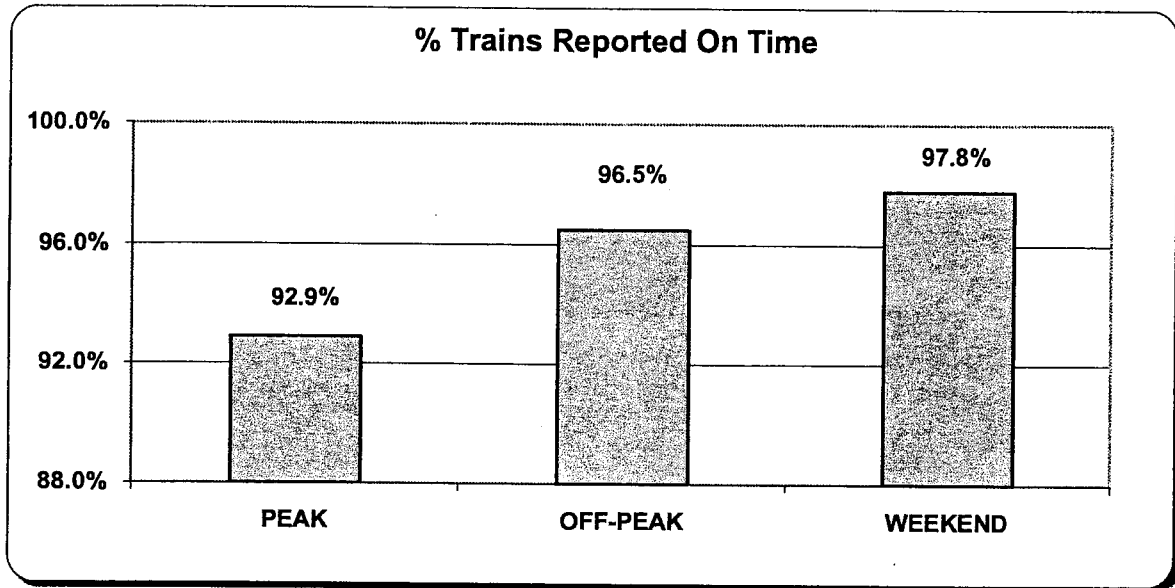
Rail On-Time Performance was 95.6% for April 2011. Of the 17,940 trains scheduled to operate, 17,158 were on time, while 782 trains (or 4.4%) were delayed. Key causes included:

- Disabled Amtrak work equipment and Portal Bridge opening on April 7.
- NJ TRANSIT equipment problems on April 16.
- Amtrak overhead wire problem and trespasser fatality on April 28.

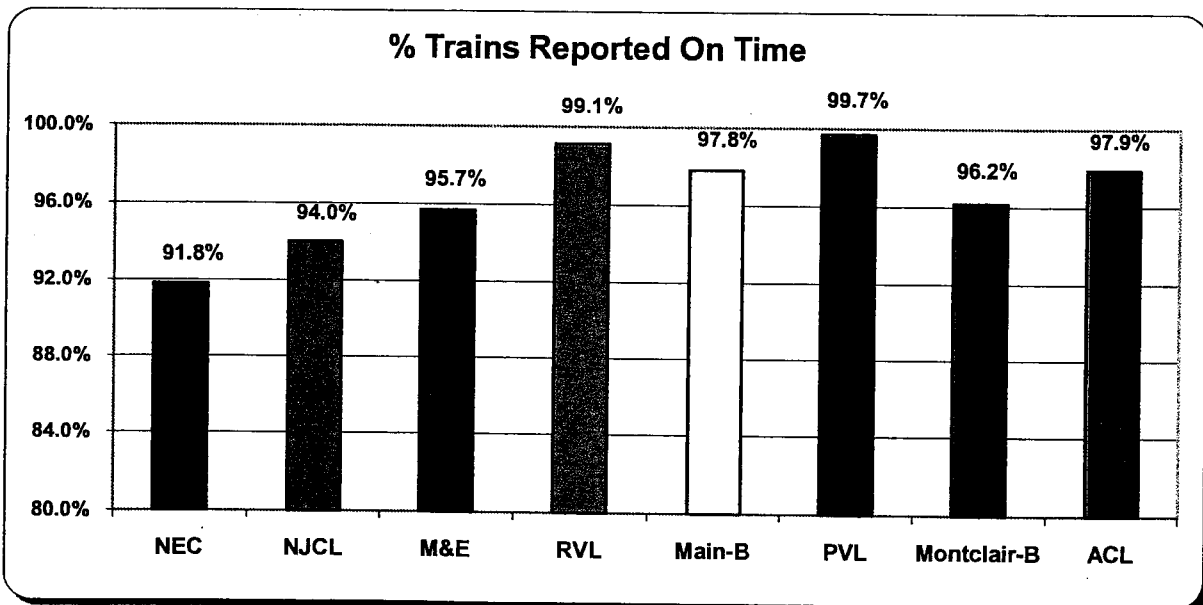
The 12-month average for Rail On-Time Performance for May 2010 - April 2011 was 94.3%.

ON-TIME PERFORMANCE RAIL

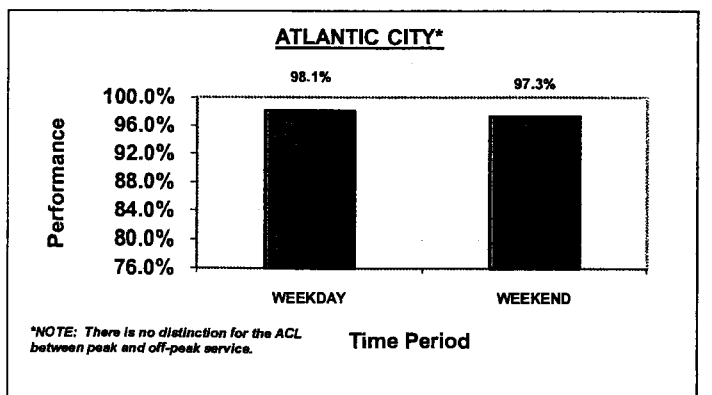
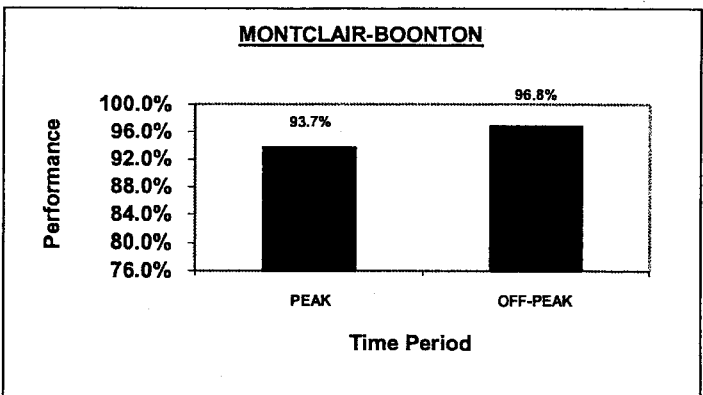
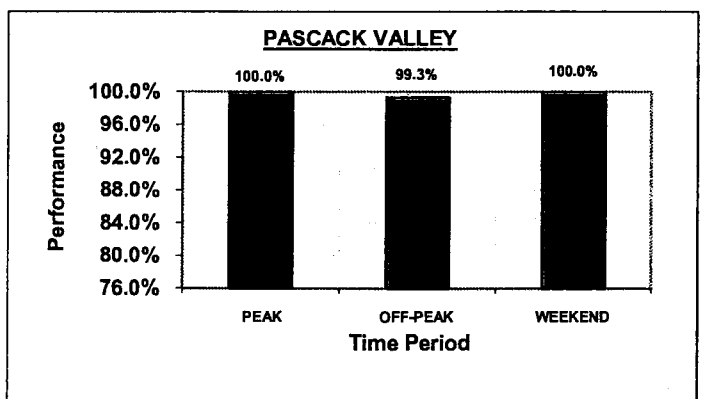
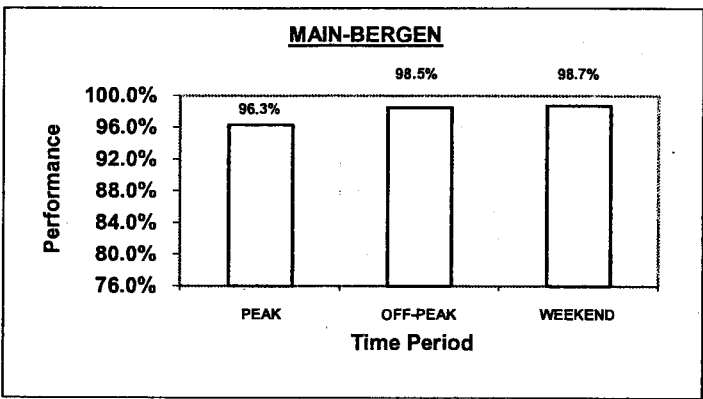
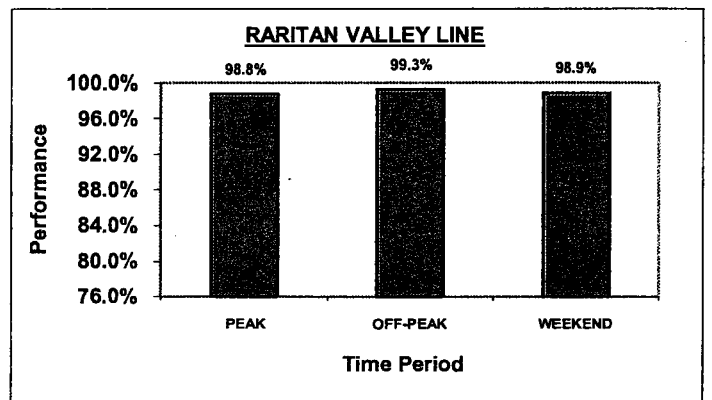
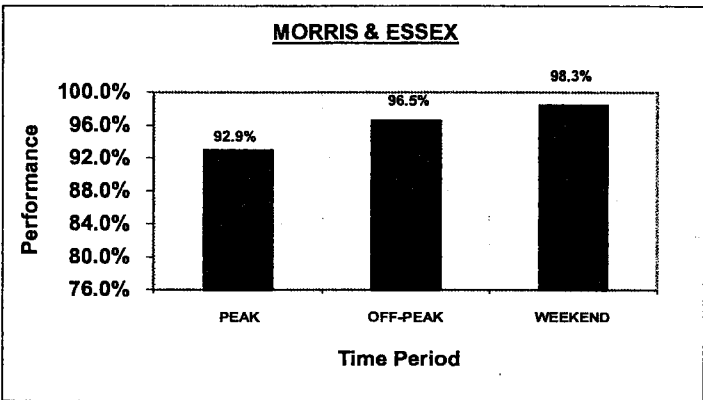
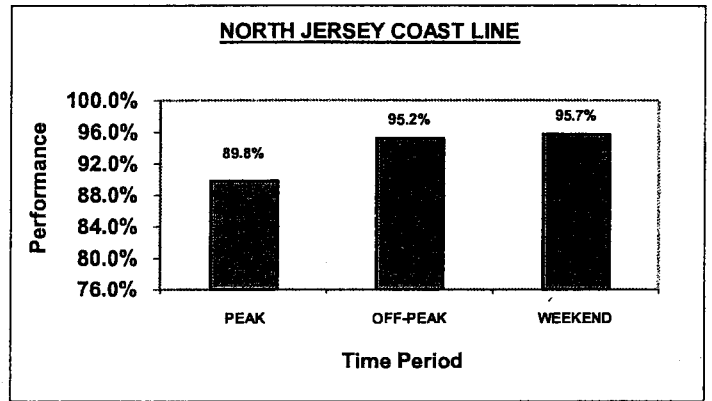
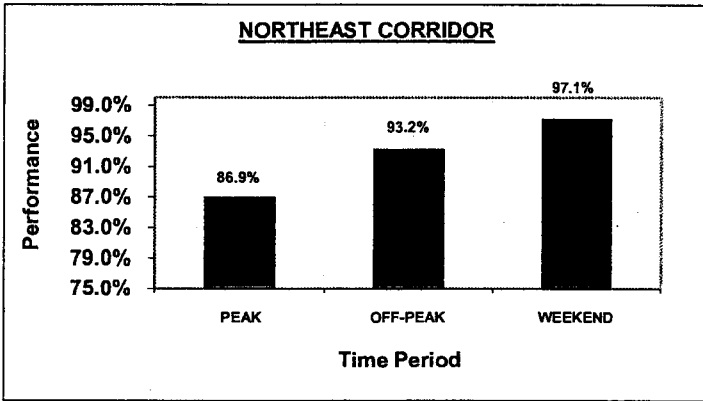
SUMMARY BY TIME PERIOD APRIL 2011



SUMMARY BY LINE APRIL 2011

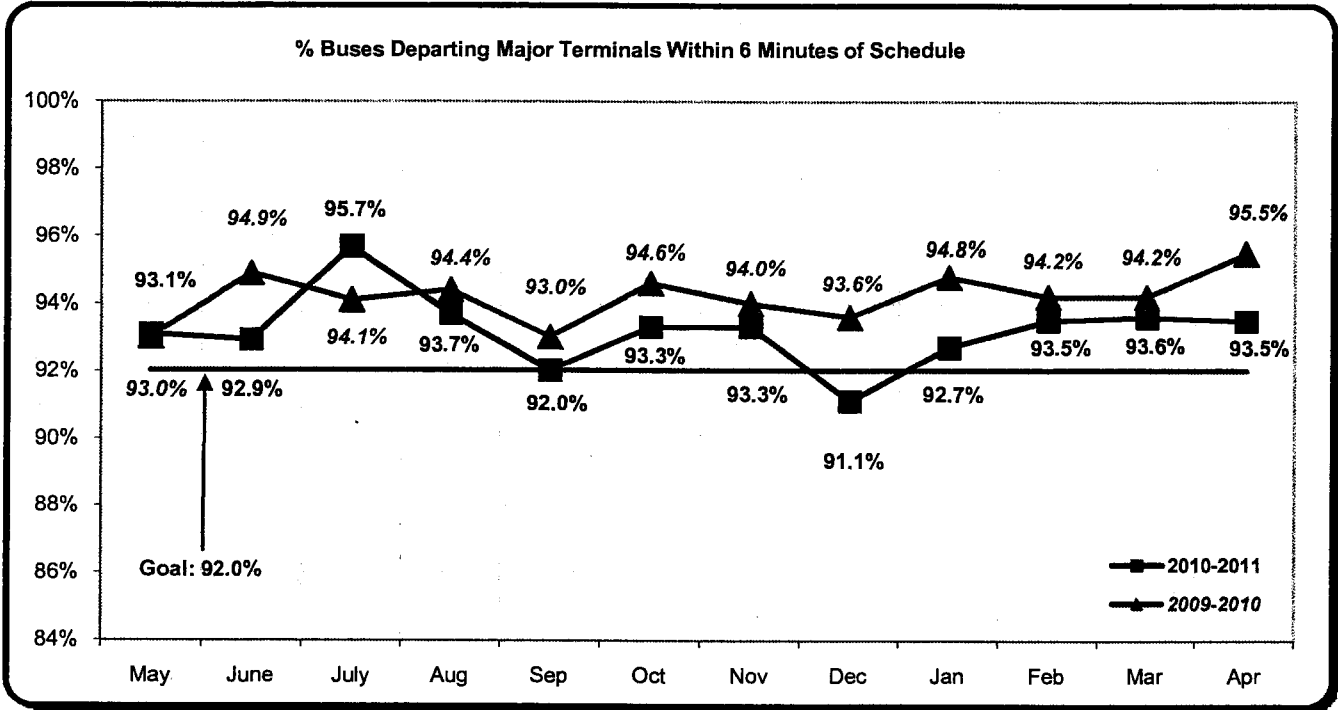


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD APRIL 2011



*NOTE: There is no distinction for the ACL between peak and off-peak service.

NJ TRANSIT ON-TIME PERFORMANCE BUS MAY 2009 - APRIL 2011



	2010	2011	% Change
April Comparison	95.5%	93.5%	-2.0%

	2009-2010	2010-2011	% Change
12-Month Average May - April	94.2%	93.2%	-1.0%

Analysis:

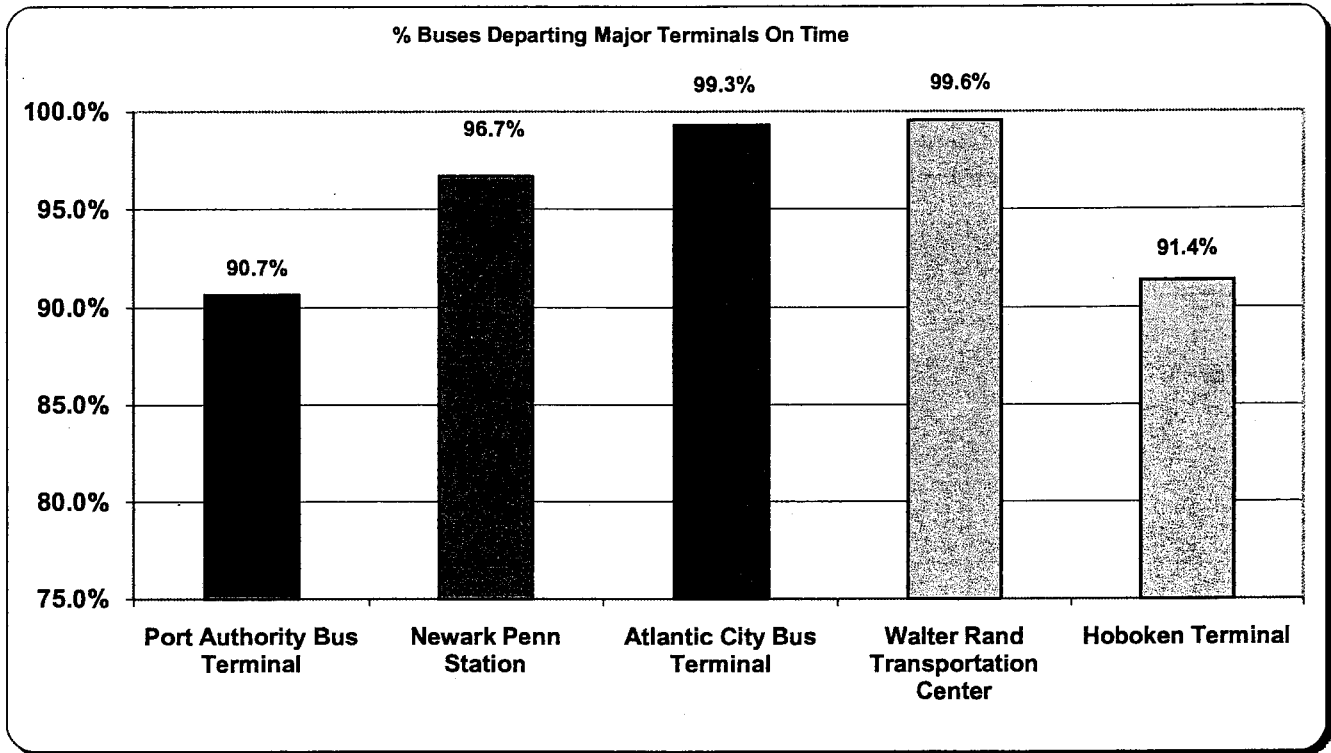
Bus On-Time Performance was 93.5% for April 2011. Of the 36,459 monitored departures, 2,369 (or 6.5%) experienced delays. Key causes included:

- Police activity that closed the Holland Tunnel during rush hour on April 29.

The 12-month average for Bus On-Time Performance for May 2010 - April 2011 was 93.2%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL APRIL 2011

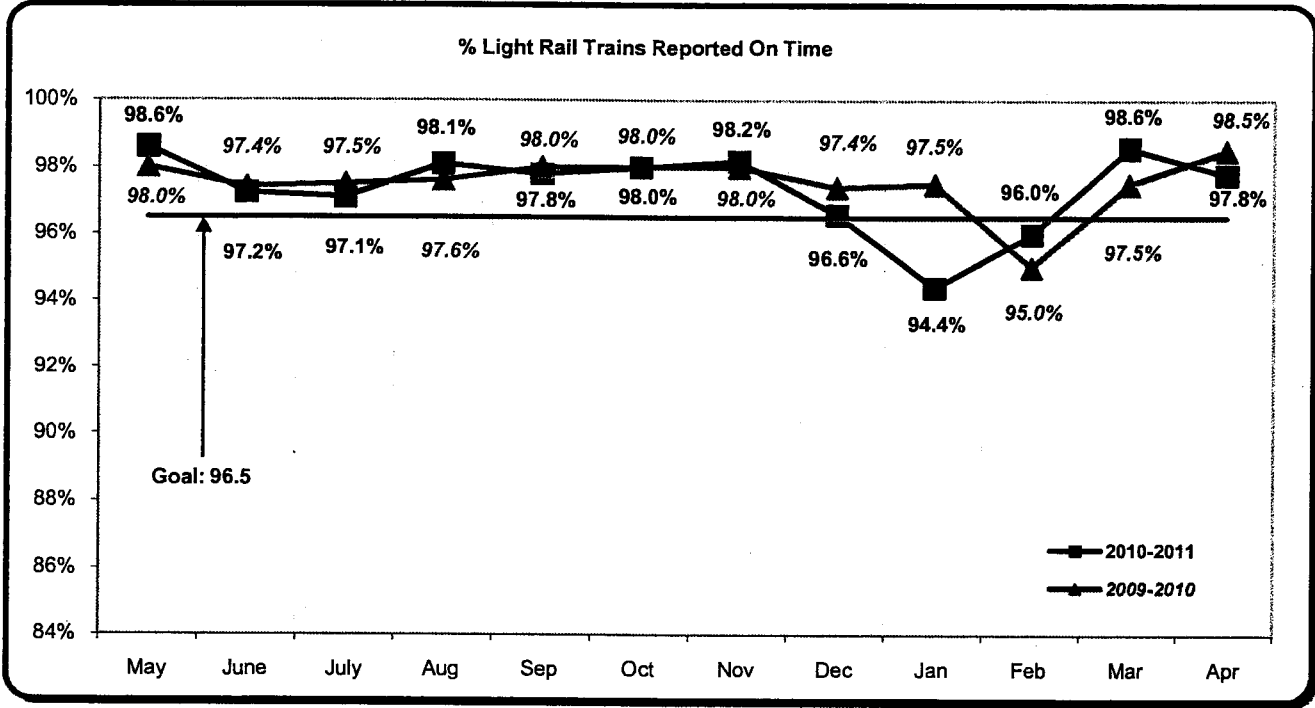


NJ TRANSIT

ON-TIME PERFORMANCE

LIGHT RAIL - SYSTEMWIDE

MAY 2009 - APRIL 2011



*Note: Starting May 2007

	2010	2011	# Change
April Comparison	98.5%	97.8%	-0.7%

	2009-2010	2010-2011	# Change
12-Month Average May - April	97.5%	97.4%	-0.1%

Analysis:

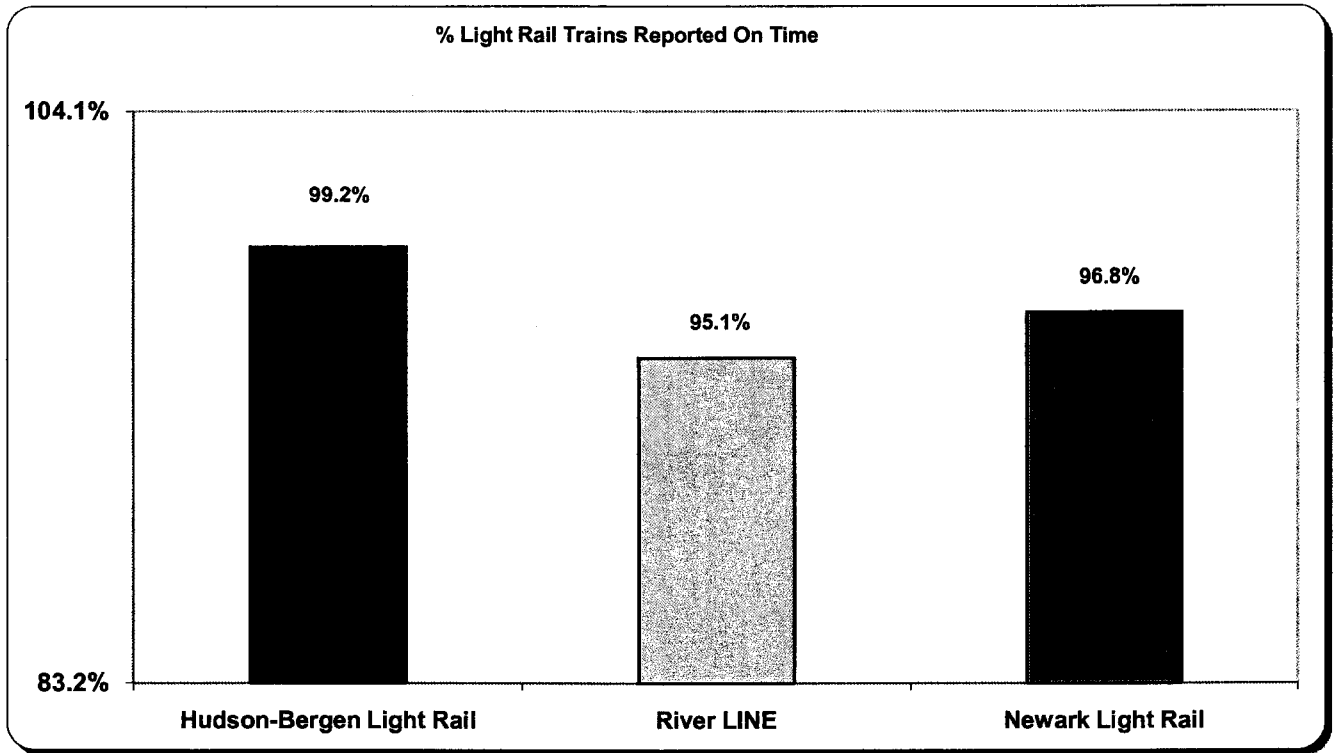
Light Rail On-Time Performance systemwide was 97.8% for the month of April 2011. Of the 26,114 scheduled trains, 577 (or 2.2%) experienced delays. Key causes included:

- Communications system problem affecting HBLR service on April 15.
- Auto blocking tracks in Camden delaying River Line trains on April 19.
- Overhead wire damage in Newark impacting Newark Light Rail trains on April 28.

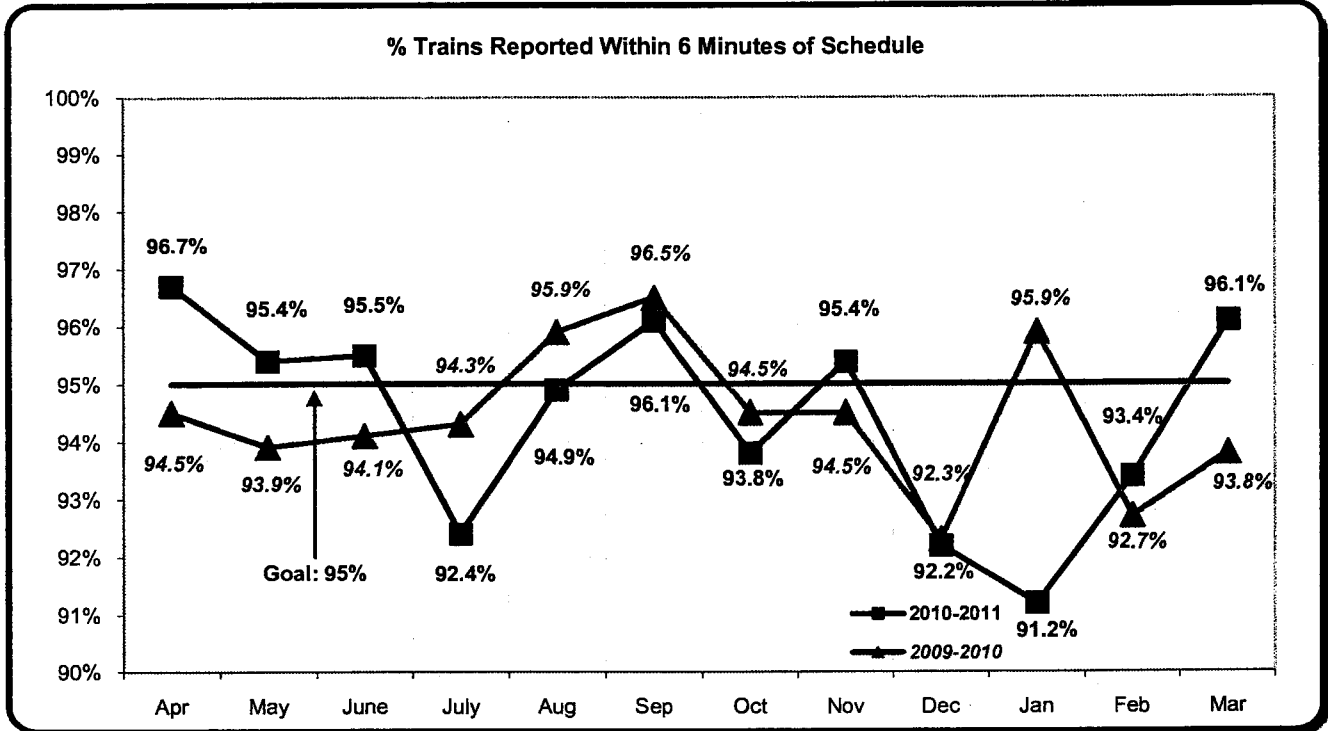
The 12-month average for Light Rail On-Time Performance for May 2010 - April 2011 was 97.4%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE APRIL 2011



NJ TRANSIT ON-TIME PERFORMANCE RAIL APRIL 2009 - MARCH 2011



	2010	2011	# Change
March Comparison	93.8%	96.1%	2.3%

	2009-2010	2010-2011	# Change
12-Month Average April - March	94.4%	94.4%	0.0%

Analysis:

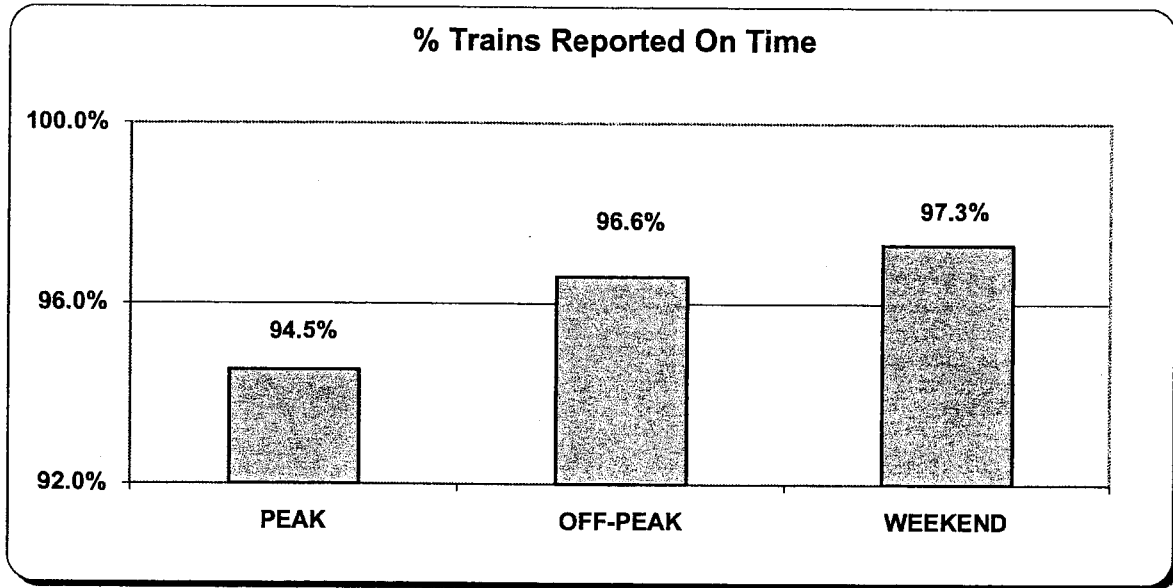
Rail On-Time Performance was 96.1% for March 2011. Of the 18,938 trains scheduled to operate, 18,194 were on time, while 744 trains (or 3.9%) were delayed. Key causes included:

- Amtrak overhead wire damage on March 3.
- Portal Bridge opening for marine traffic and equipment issues on March 16.
- Amtrak power failure on March 19.

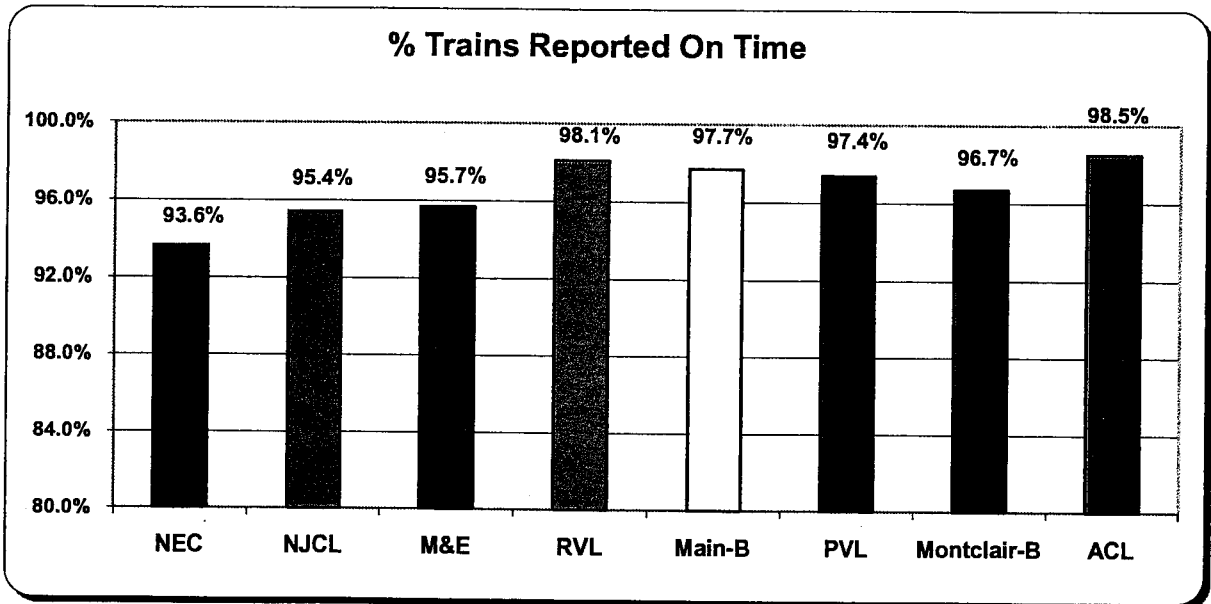
The 12-month average for Rail On-Time Performance for April 2010 - March 2011 was 94.4%.

ON-TIME PERFORMANCE RAIL

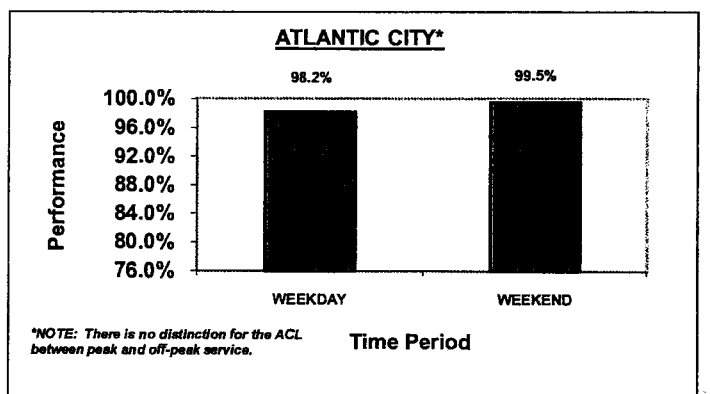
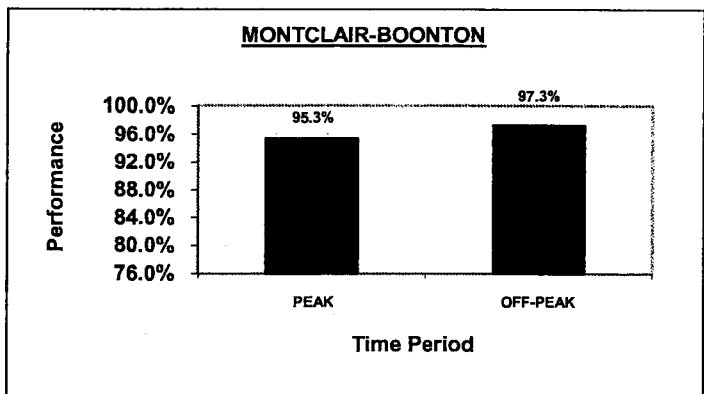
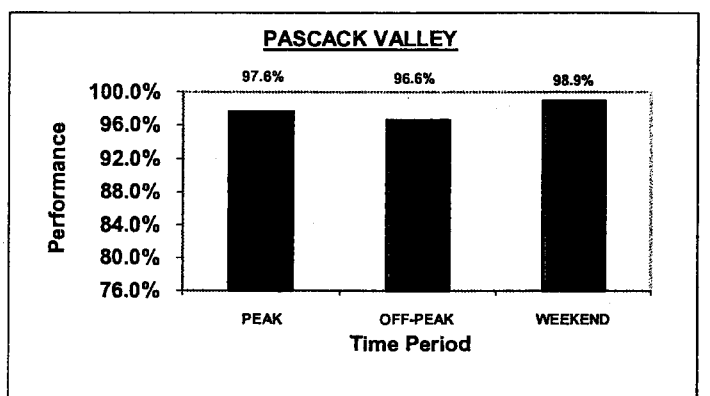
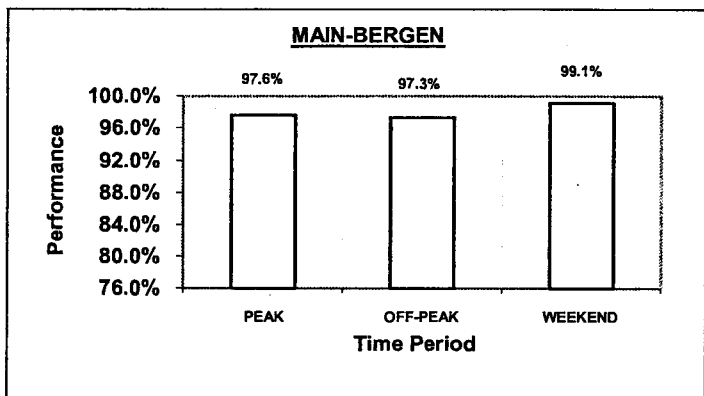
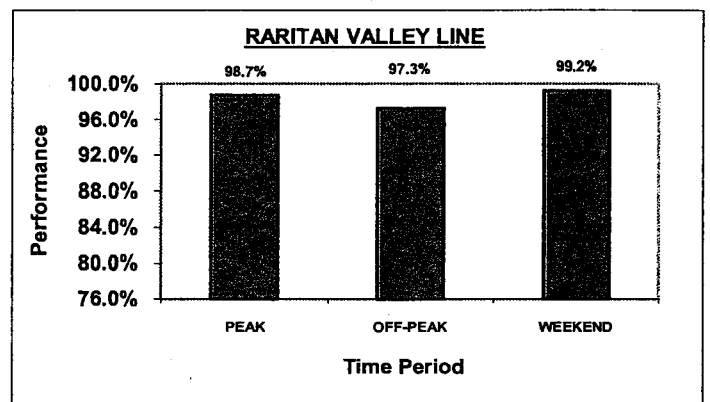
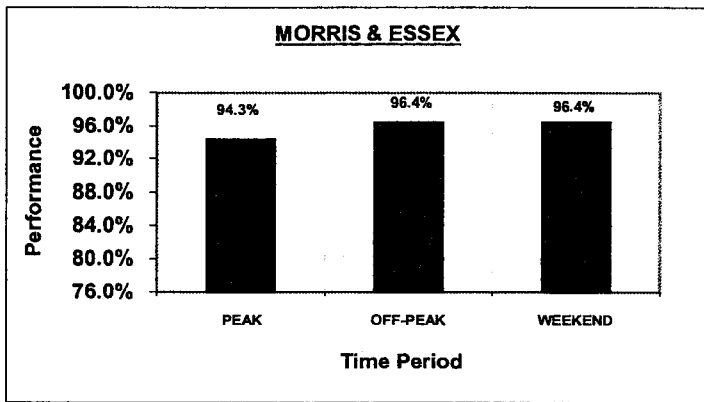
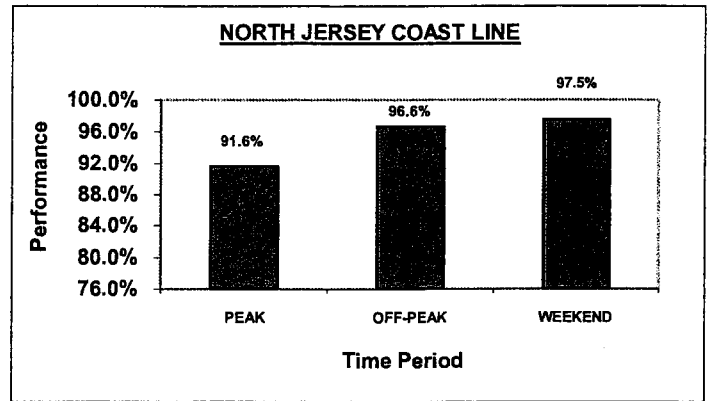
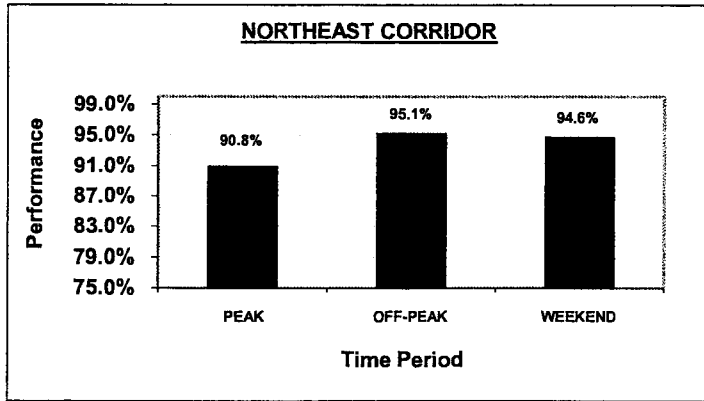
SUMMARY BY TIME PERIOD MARCH 2011



SUMMARY BY LINE MARCH 2011

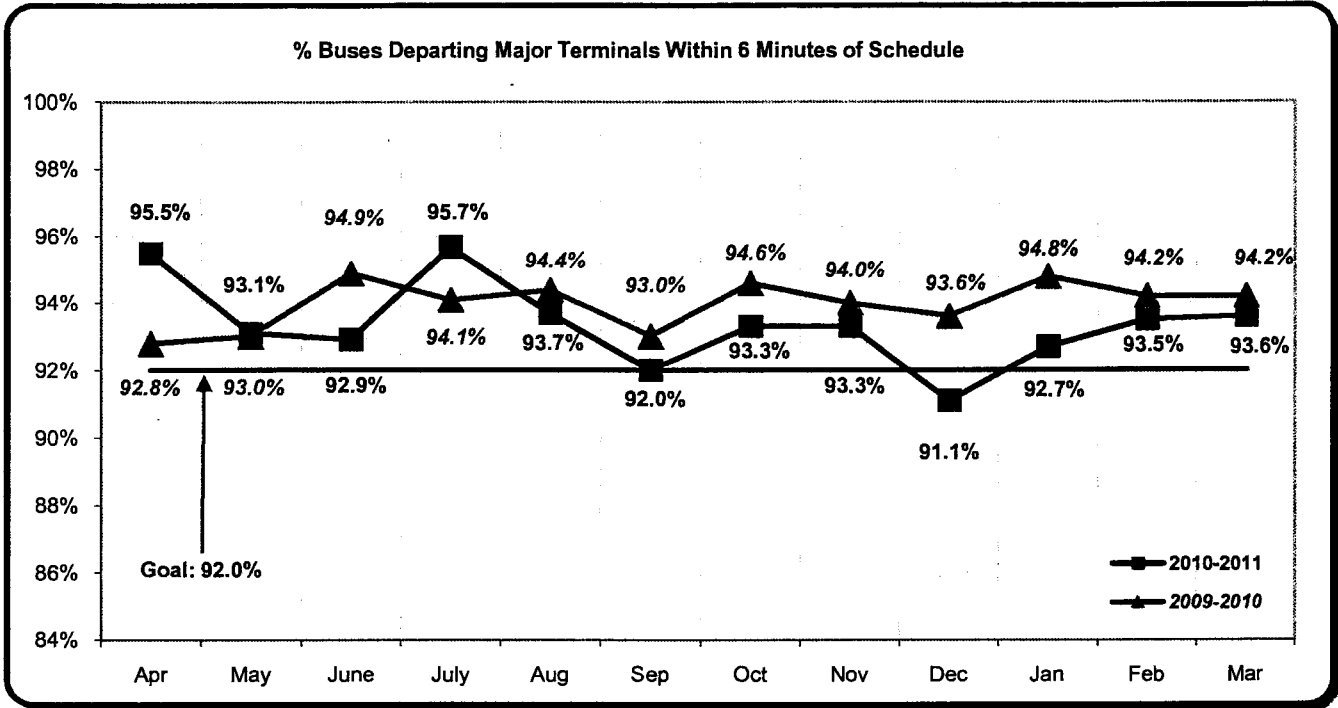


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MARCH 2011



*NOTE: There is no distinction for the ACL between peak and off-peak service.

NJ TRANSIT ON-TIME PERFORMANCE BUS APRIL 2009 - MARCH 2011



	2010	2011	% Change
March Comparison	94.2%	93.6%	-0.6%

	2009-2010	2010-2011	% Change
12-Month Average April - March	94.0%	93.4%	-0.6%

Analysis:

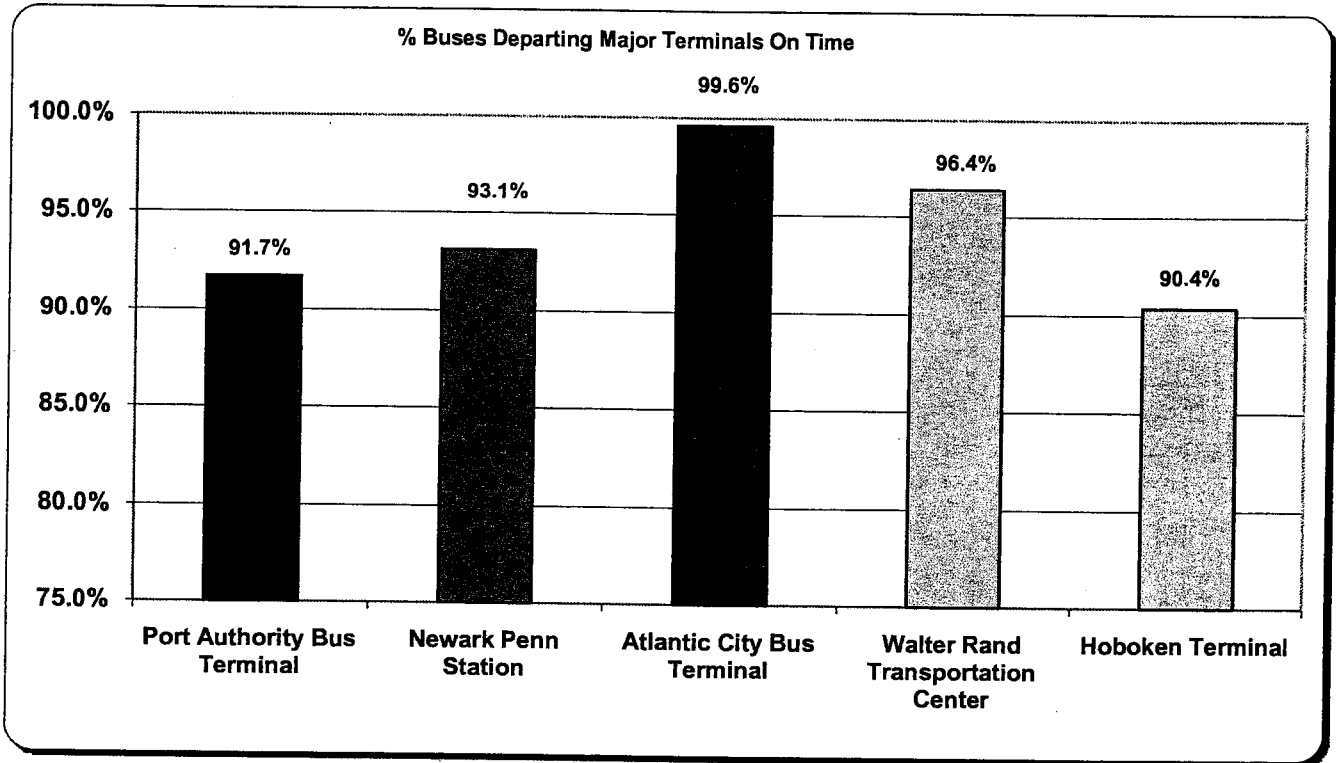
Bus On-Time Performance was 93.6% for March 2011. Of the 40,794 monitored departures, 2,594 (or 6.4%) experienced delays. Key causes included:

- Widespread flooding due to major rain storm in the Northern Region between March 11 and 15.

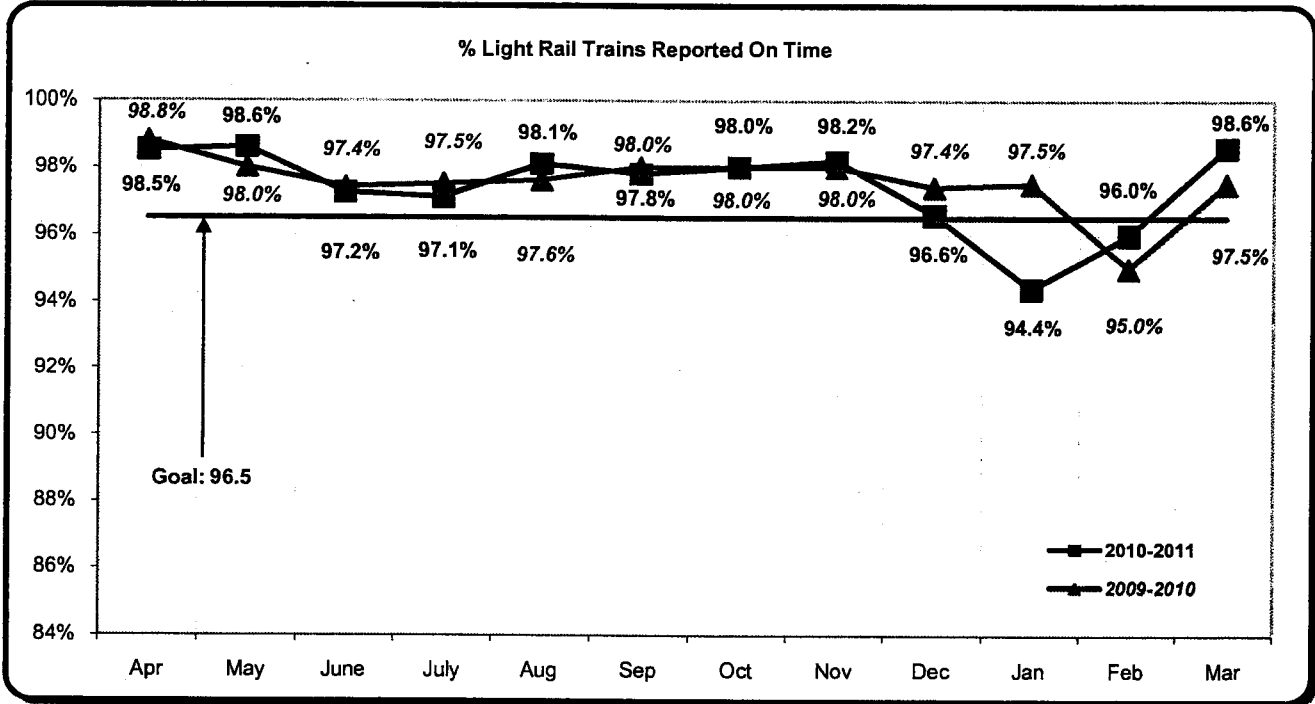
The 12-month average for Bus On-Time Performance for April 2010 - March 2011 was 93.4%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MARCH 2011



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL - SYSTEMWIDE APRIL 2009 - MARCH 2011



*Note: Starting May 2007

	2010	2011	# Change
March Comparison	97.5%	98.6%	1.1%

	2009-2010	2010-2011	# Change
12-Month Average April - March	97.6%	97.4%	-0.2%

Analysis:

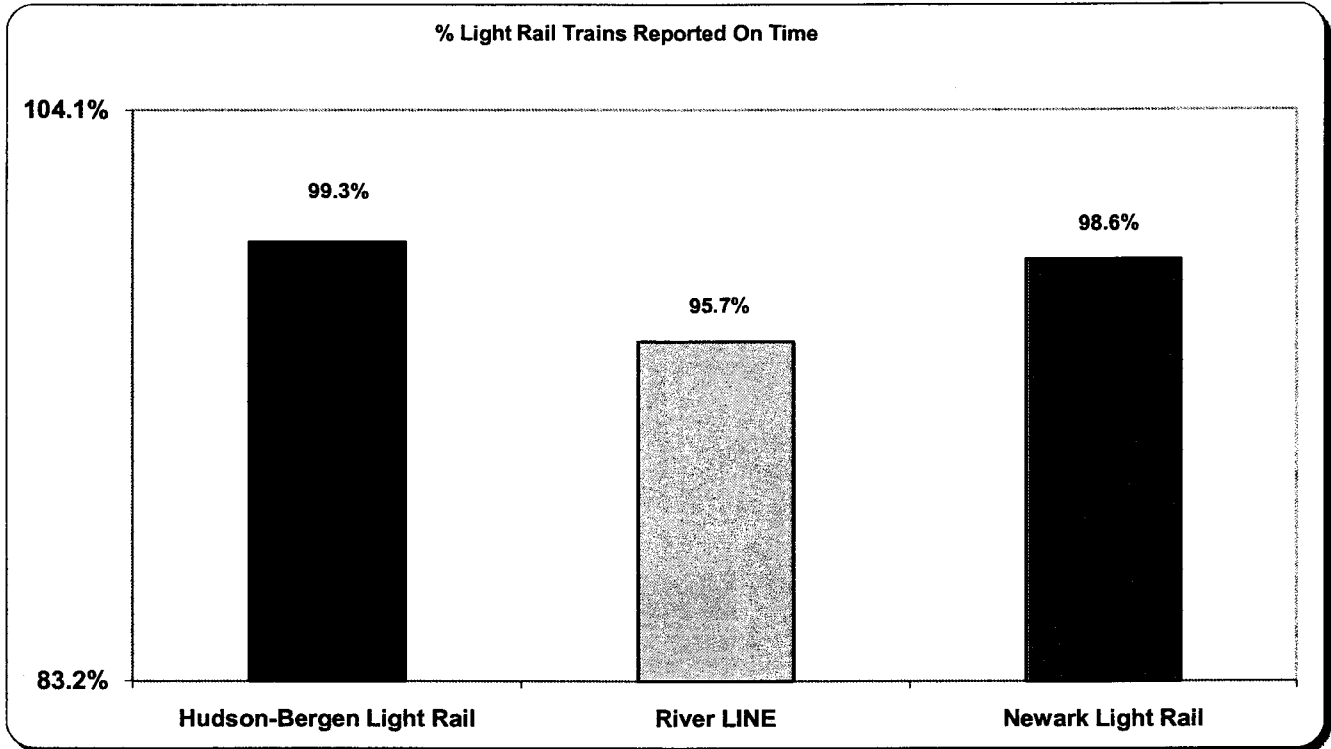
Light Rail On-Time Performance systemwide was 98.6% for the month of March 2011. Of the 27,807 scheduled trains, 382 (or 1.4%) experienced delays. Key causes included:

- Fire department activity in Jersey City affecting HBLR service on March 9.
- Signal problems delaying River Line trains on March 23.
- Police activity in Newark impacting Newark Light Rail trains on March 24.

The 12-month average for Light Rail On-Time Performance for April 2010 - March 2011 was 97.4%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE MARCH 2011



DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$891,319 in federal funds were awarded October through April of FY 11.* Disadvantaged Business Enterprises (DBEs) were not awarded any federal-funded contract dollars during this period from either race conscious and race neutral awards.

State Funded Contracts

\$28,563,670 in state-funded contract dollars were awarded July through April FY 11. ** Of that total, Small Business Enterprises (SBEs) received \$6,681,883 or 23.4 percent. Category 1 SBEs received \$607,655 or 2.1 percent. Category 2 SBEs received \$1,701,307 or 6.0 percent. Category 3 SBEs received \$302,297 or 1.1 percent. Category 4 SBEs received \$663,463 or 2.3 percent. Category 5 SBEs received \$3,407,161 or 11.9 percent. Category 6 SBEs received \$0 or 0 percent.***

Federal & State Contracts Total

\$29,454,989 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$6,681,883 or 22.7 percent of federal and state contract dollars was won by DBEs and SBEs.

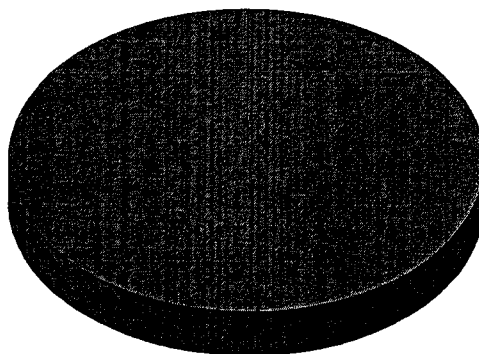
*Fiscal year beginning October 1, 2010

**Fiscal year beginning July 1, 2010

***Cat 1-Less than \$500,000 gross revenues, Cat 2-Less than \$5 million, Cat 3-Less than \$12 million, Cat 4 (construction)-Less than \$1 million, Cat 5 (construction)-Less than \$17,420,000, Cat 6 (construction)-Up to \$33.5 million

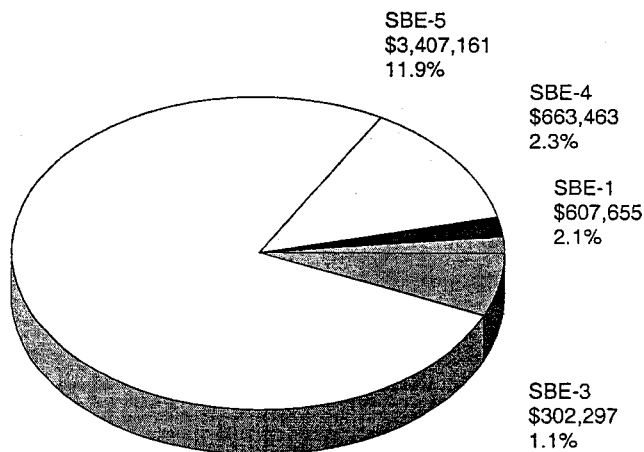
**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH APRIL FY11)***

NON-DBE
FEDERAL
\$819,319
100%



**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH APRIL FY11)****

NON-SBE STATE
\$21,881,787
76.6%



Fiscal Year Beginning October 1, 2010*
Fiscal Year Beginning July 1, 2010**
(This report covers contracts above \$29,000)

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Forty-eight NJ TRANSIT employees retired in March with careers ranging from 13 to 42 years of service:

1. Peggie Foushee (East Orange) Sr. Buyer Purchasing, Penn Plaza – 42 years
2. Betty A. Risher (Newark) Principal Bookkeeper, Penn Plaza – 40 years
3. David E. Hopson (Allendale) Manager Bus Capital Project, Penn Plaza – 39 years
4. Eileen Gregorkiewicz (Irvington) Sr. Bookkeeper Accountant, GOB – 38 years
5. Cynthia J. Faison (Englewood) Ticket Agent, Port Authority Bus Terminal – 36 years
6. Kevin Lichatin (Long Valley) Manager Bus Claims, General Office Building – 36 years
7. John Hill (Dumont) Bus Operator, Oradell Garage – 33 years
8. Michael G. Jones (Carlstadt) Bus Operator, Oradell Garage – 33 years
9. Michael McGuire (Waterford) Mechanic “A,” Washington Township Garage – 33 years
10. Hugo Bayona (Weehawken) Bus Operator, Meadowlands Garage – 32 years
11. Bruce K. Dawson (Jackson) Bus Operator, Howell Garage – 32 years
12. Johnie King (Maplewood) Starter, Port Authority Bus Terminal – 32 years
13. Thomas Landrigan (Highland Lake) Bus Operator, Wayne Garage – 32 years
14. Michael Briggs (Williamstown) Mechanic “A,” Washington Township Garage – 31 years
15. Bruce Hatsko (Bushkill, PA) Mechanic “A,” Fairview Garage – 31 years
16. Mark S. Holmes (Paterson) Bus Operator, Oradell Garage – 31 years
17. DaGoberto Olive (Palisades Park) Bus Operator, Fairview Garage – 31 years
18. Conrad Reynolds (South Egg Harbor) Bus Operator, Egg Harbor Garage – 31 years
19. Raul E. Delgado (Passaic) Repairman “A,” Wayne Garage – 30 years
20. Peter M. Farley (Lodi) Mechanic “A,” Fairview Garage – 30 years
21. Charles R. Wilson (Washington) Mechanic “A,” Meadowlands Garage – 30 years
22. Lester Eckrich (Lincoln Park) Sr. Dir. Design & Const. ARC, Gateway Penn – 29 years
23. Anthony Hargrove (Effort, PA) Bus Operator, Hilton Garage – 29 years
24. Charles E. Lumford, Jr. (Willingboro) Bus Operator, Hilton Garage – 29 years
25. Ruth Montanye (River Edge) Bus Operator, Oradell Garage – 29 years
26. Elijah Selph (Newark) Bus Operator, Orange Garage – 29 years
27. Elaine P. St. Clair (Morris Plains) Input Clerk Human Resource, GOB – 29 years
28. John Willis (Fanwood) Bus Operator, Ironbound Garage – 29 years
29. Joel Golub (Morganville) CIO, Penn Plaza – 28 years
30. Tina Kreitzman (North Plainfield) Group Head, General Office Building – 28 years
31. Alfredo Maldonado (Paterson) Bus Operator, Market Street Garage – 28 years
32. Sharon P. Rivers (Pennsauken) Bus Operator, Newton Avenue – 28 years

33. Linda L. Parham (Irvington) Bus Operator, Orange Garage – 27 years
34. Gasford Clarke (Lakewood) Bus Operator, Howell Garage – 26 years
35. John F. Conklin (Bloomfield) Project Laborer, Ferry Street – 26 years
36. Jose A. Lopez (Belleville) Bus Operator, Meadowlands Garage – 26 years
37. Donald M. Reeves (Hammonton) Bus Operator, Egg Harbor Garage – 26 years
38. Nathaniel Wooten (Bushkill, PA) Bus Operator, Meadowlands Garage – 26 years
39. Susie Fuentes (North Bergen) Inspector "A," Meadowlands Garage – 24 years
40. Sylvia L. Anderson (Newark) Senior Clerk, General Office Building – 21 years
41. Earl C. Portis (Hackensack) Bus Operator, Oradell Garage – 21 years
42. Noemi P. Mejias (Jersey City) Bus Operator, Meadowlands Garage – 20 years
43. Santos Morales (Lodi) Bus Operator, Fairview Garage – 19 years
44. Marek Slawinski (Linden) Bus Operator, Ironbound Garage – 18 years
45. Pier Greenlee (Newark) Sr. Input/Account Clerk, General Office Building – 16 years
46. Maria P. Roland-Olivé (Union City) Bus Operator, Fairview Garage – 16 years
47. John C. Driscoll (Toms River) Bus Operator, Howell Garage – 15 years
48. Harold Gilliam (Newark) Bus Operator, Greenville Garage – 13 years

Twenty-five NJ TRANSIT employees retired in April with careers ranging from 11 to 41 years of service:

1. William Lippman (Prospect Park) Mechanic, Market Street – 41 years
2. Robert N. Mazur (Ogdensburg) QAQC Manager, MMC – 37 years
3. William Occhuzzo, Jr. (Bellmawr) Mechanic, Washington Township Garage – 36 years
4. Patrick Olah (Edison) Depot Master, Meadowlands Garage – 36 years
5. Raymond Rama (New Milford) Stock Clerk, Oradell Garage – 35 years
6. Guy J. Capizzi (Elmwood Park) Bus Operator, Wayne Garage – 31 years
7. Mark G. Van Houten (Milanville, PA) Repairman "A," Wayne Garage – 31 years
8. Michael P. McMorro (Oakland) Repairman "A," Meadowlands Garage – 30 years
9. Gwen A. Watson-Kealy (Westfield) Board Secretary, Penn Plaza – 30 years
10. Michael Bennett (Parlin) Bus Operator, Howell Garage – 29 years
11. Donna Ravenell (Maplewood) Risk Mgt. Special Project Admin., Penn Plaza – 29 years
12. William J. Rusoff (Brick) Bus Operator, Oradell Garage – 29 years
13. Enrique Lopez (West New York) Bus Operator, Fairview Garage – 27 years
14. Mario C. Worthy (Clark) Garage Forman II, Oradell Garage – 27 years
15. Alara A. Toney (East Orange) Executive Secretary, Ferry Street – 25 years
16. Joanne Douglas (Camden) TIC Operator, Camden – 24 years

17. Luther Pendleton (Woodbury) Garage Forman II, Newton Avenue Garage – 24 years
18. Jacqueline Southerland (Irvington) Information Clerk, General Office Building – 24 years
19. Leonard Norris (Irvington) Bus Operator, Wayne Garage – 23 years
20. Anthony Stephens (Elizabeth) Bus Operator, Market Street Garage – 22 years
21. Richard Argese (Union) Mechanic “A,” Orange Garage – 19 years
22. Michael Howard (Mantua) Mechanic “A” – 18 years
23. Carmen Fermin (East Stroudsburg, PA) Bus Operator, Market Street Garage – 17 years
24. Guness Naidoo (Edison) Bus Operator, Ironbound Garage – 15 years
25. Ella McKinstry (Philadelphia, PA) Bus Operator, Washington Twp. Garage – 11 years

ACTION ITEMS

ITEM 1105-15: HUDSON COUNTY LOCAL BUS SERVICE

BENEFITS

This contract will provide for the operation of local bus service in the Hudson County area on Routes 2, 22, 23 and 88. These four routes serve a combined ridership of 2.44 million annual passenger trips in Fiscal Year 2010. Staff has identified these routes as appropriate service to be operated more economically by seeking competitive bids for its performance.

PURPOSE

Authorization of this contract will continue local bus service on these four routes in Hudson County.

ACTION (Justification: Cost Efficiencies)

Staff seeks authorization to enter into a contract (No. 11-023) with Number 22 Hillside, LLC of Hoboken, New Jersey, to operate four routes in the Hudson County area for a 36-month base contract term, with two additional two-year option periods, for a total of 84 months from June 26, 2011 through June 30, 2018, at a total cost not to exceed \$49,273,013, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: \$ 49,273,013 + 5% contingency

Total Project Cost: \$ 51,736,664

Projected Date of Completion: June 2018

Anticipated Source of Funds:	Fiscal Year 2011(5 days)	\$	59,378
	Fiscal Year 2012	\$	6,374,031
	Fiscal Year 2013	\$	6,626,627
	Fiscal Year 2014	\$	6,605,979
	Fiscal Year 2015	\$	6,876,205
	Fiscal Year 2016	\$	7,243,810
	Fiscal Year 2017	\$	7,575,267
	Fiscal Year 2018	\$	7,911,717

Diversity Goal: 5% Category 3 SBE

NJ Build Amount: N/A

Future Related Authorizations: None

**Impact on Subsequent
Operating Budgets: \$ 51,736,664**

RESOLUTION

WHEREAS, staff has determined that it is appropriate to contract with a private bus carrier to provide local bus service in Hudson County; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Number 22 Hillside, LLC submitted the proposal that provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to enter into a contract (No. 11-023) with Number 22 Hillside, LLC of Hoboken, New Jersey, to operate four routes in the Hudson County area for a 36-month base contract term, with two additional two-year option periods, for a total of 84 months from June 26, 2011 through June 30, 2018, at a total cost not to exceed \$49,273,013, plus five percent for contingencies, subject to the availability of funds.

ITEM 1105-16: SOLE/SINGLE SOURCE VENDORS PURCHASE OF REPLACEMENT PARTS AND SERVICES (BUS, RAIL, LIGHT RAIL AND HEADQUARTERS)

BENEFITS

Materials and services, which are available from only one source of supply, are exempt from competitive procurement under N.J.A.C. 16:72-1.5(d) and Executive Order No. 37. Sole source vendors generally have proprietary control over the manufacture of parts and components and the provision of technical services for NJ TRANSIT equipment.

Rail, bus, and light rail rolling stock and equipment is manufactured by a relatively small number of industrial producers using proprietary designs to meet the particular performance requirements and physical environment of individual transit systems and railroads. The equipment is not mass-produced but manufactured to order.

The equipment is capital intensive, long-lived and, if properly maintained, can operate safely for decades. However, the spare parts, material and technical services needed to maintain this uniquely engineered equipment in many cases is available only from the original equipment manufacturer (OEM), or a successor company with proprietary rights to the original design.

A list of Fiscal Year 2012 sole/single source vendors is set forth in Exhibit A. For the purpose of transparency, this list includes all sole and single source vendors that NJ TRANSIT may need to use in the coming fiscal year, regardless of whether they were used in the previous fiscal year. Should a new vendor need to be added to Exhibit A in FY12, as a result of a newly identified critical operating need, staff will notify the Board if the aggregate amount exceeds \$250,000.

Staff continually seeks, where feasible, to develop specifications and reduce reliance on sole source vendors and will continue to do so. Examples of items that have been removed from prior authorizations include Comet Passenger Car brake pads and rotors, non-revenue vehicle repair services, train servicing and traction motor and gear unit repairs. However, staff has demonstrated, through numerous unsuccessful competitive efforts, that there are no qualified and responsible commercial alternatives to many suppliers, and since 1987 the Board has annually authorized this item to ensure efficient and continuous provisioning of our maintenance operations. All items or services purchased on a sole/single source basis are subject to price or cost analysis to ensure the reasonableness of the prices quoted.

PURPOSE

The need for NJ TRANSIT to exercise sole and single source authority relates to specific areas of procurement, including, but not limited to, the following:

Replacement Parts from Original Equipment Manufacturers (OEMs)

These OEM parts or components are needed to repair and maintain rolling stock and other equipment specifically designed by the OEM manufacturer, where available technical data does not assure that a part or component supplied by another vendor will adequately perform the same function it replaces.

Examples of major sole source vendors include Alstom Transportation, Rail Systems, Inc., (EMD), Knorr Brake Corp., Faiveley Transport Group, Kinkisharyo Inc., WABTEC Passenger Transit, MCI Service Parts, NeoPart, and Prevost-Nova Bus.

Sole Supplier Services

Certain apparatus can only be serviced and/or tested by sole/single source vendors. For example, Sperry Rail Services is the only industry-recognized source capable of simultaneously testing rail by induction and ultrasound methods; Harsco Track Technologies is the only qualified source to provide Track Laying Machine Services for the automated installation of concrete ties; and Solari Corporation is the only qualified source for the repair of Solari display units.

Rail Brake Shoes

NJ TRANSIT operates approximately 1,200 passenger rail cars and locomotives daily. Brake shoes and pads are replaced on all in-service equipment through periodic and daily inspections. Electric and Diesel Locomotive and Multilevel Passenger Car brake shoes and pads are specialized equipment and are available from only one source of supply. Based upon past experience and test results, these products alone meet the required acceptable stop distances, wheel heat generation limits and acceptable shoe and wheel wear tolerances.

Summary

The operation and maintenance of NJ TRANSIT Bus, Rail, Light Rail and Support functions requires the purchase of OEM parts, maintenance spares, services, modifications, upgrades and other programs, which can only be obtained from sole and single qualified sources.

As such, it has been determined that the vendors listed within this authorization are certified to be the sole/single sources for the purchase of materials and services in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16:72-1.5 and Executive Order No. 37.

ACTION

Staff requests authorization to enter into sole or single source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A (subject to adjustments), to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$20,000,000. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period.

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS:

Requested Authorization:	\$20,000,000
Total Project Cost:	\$20,000,000
Projected Date of Completion:	June 30, 2012
Anticipated Source of Funds:	FY 2012 Operating Budget Capital Budgets
Diversity Goals:	0% SBE
Related Authorization:	N/A

RESOLUTION

WHEREAS, NJ TRANSIT requires maintenance items and services to support the operation of various major equipment; and

WHEREAS, it is necessary to obtain these required maintenance items and services from sole or single sources; and

WHEREAS, pursuant to N.J.A.C. 16:72 competitive procurement requirements may be waived in instances where only one source of supply is available; and

WHEREAS, it has been determined that the vendors utilized under this authorization are certified to be the sole/single sources for the purchase of materials and services in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16:72-1.6 and Executive Order No. 37;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into sole/single source, procurement-by-exception contracts for the purchase of parts and services from approved sole/single source vendors set forth in Exhibit A, subject to adjustments and Board notification of new firms whose aggregate spend exceeds \$250,000, at a total cost not to exceed \$20,000,000 for the period July 1, 2011 to June 30, 2012, subject to the availability of funds.

EXHIBIT A

SOLE SOURCE/SINGLE SOURCE VENDORS NJ TRANSIT
FY 2012

	VENDOR NAME	CITY	STATE	SBE/MBE
1	ABB Control, Inc.	Wichita Falls	TX	
2	ABB Power T&D	St Louis	MO	
3	ABM-American Building Maint.	New York	NY	
4	Activu (formerly Imtech)	Denville	NJ	
5	AFL Communications	Duncan	SC	
6	Alstom Signaling (GRS)	Rochester	NY	
7	Alstom Transport Service NA	Lisle	IL	
8	Amerex Corp.	Trussville	AL	
9	Anchor Brake Shoe Co.	Park Ridge	IL	
10	Axion Technologies	La Pocatiere, Quebec	Canada	
11	Anixter, Inc.	Cranbury	NJ	
12	Ansaldo STS USA	Batesburg	SC	
13	Assetworks, Inc.	Wayne	PA	
14	Atlantic Detroit Diesel	Saugerties	NY	
15	Atlantic Import & Export Corp.	Branchburg	NJ	
16	Bombardier Inc/Aftermarket	Ontario	Canada	
17	CK Composites	Mt. Pleasant	PA	
18	Cleaveland Price	Trafford	PA	
19	Clever Devices	Syosset	NY	
20	CMI-Promex	Pedricktown	NJ	
21	Columbus Steel Castings	Columbus	OH	SBE
22	Comet Communications, Inc.	Kansas City	MO	
23	Cooper Bearings, Inc.	Georgetown	DE	
24	Cubic Transp Systems	Tullahoma	TN	
25	Cummins Metropower	Newark	NJ	
26	Design Dimensions (Branford S. Warren)	Austin	TX	MBE
27	Drivecam, Inc.	San Diego	CA	
28	Dustcontrol, Inc.	Wilmington	NC	
29	Dynatech Systems, Inc.	Burlington	NJ	
30	EMA Drives & Automation	Hazleton	PA	
31	Faiveley Rail	Exton	PA	
32	Federal Metal Products	Ferndale	PA	
33	Foley, Inc.	Piscataway	NJ	SBE
34	Gar-Ren Tool & Machine Co.	Prospect Park	PA	WBE
35	GE Transportation Global Signals	Hingham	MA	
36	GE Transportation Parts, LLC	Erie	PA	
37	General Electric Energy	Philadelphia	PA	
38	Goyal Industries, Inc.	Mansfield	OH	

EXHIBIT A

SOLE SOURCE/SINGLE SOURCE VENDORS NJ TRANSIT
FY 2012

39	Graham White Sales Corp.	Salem	VA
40	Harsco Track Tech.	West Columbia	SC
41	Hirail Corporation	Lisbon	IA
42	HiTran Corporation	Flemington	NJ
43	Hoffman Services, Inc.	Newark	NJ
44	Holdsworth USA	Indianapolis	IN
45	Honeywell, Inc.	Marlton	NJ
46	Industrial Machine Corporation	Paterson	NJ
47	Ingersoll-Rand Air Center	Edison	NJ
48	Intelect Technologies	Plano	TX
49	Inter Swiss Ltd.	Chicago	IL
50	Invensys Rail Corporation	Louisville	KY
51	ISE Research Corp.	Poway	CA
52	Jala Equipment Co.	Ft Lauderdale	FL
53	Jamaica Bearings	New Hyde Park	NY
54	JMA Rail Products	Carol Stream	IL
55	Johnson Controls, Inc.	Union	NJ
56	Kim Hotstart Mfg. Co.	Spokane	WA
57	Kinkisharyo International, LLC	Jersey City	NJ
58	Knorr Brake Corp/NYAB	Westminster	MD
59	Kuplttec Corporation	Branford	CT
60	Lift-U-Inc.	Escalon	CA
61	Lincoln Service & Equipment	Durham	CT
62	Luminator-A Mark IV Industries	Plano	TX
63	Matrix Railway Corp.	West Babylon	NY
64	MCI Service Parts	Schaumburg	IL
65	Mersen USA BN Corp.	Boonton	NJ
66	Mersen USA Newburyport-MA, LLC	Newburyport	MA
67	Microphor, Inc	Willits	CA
68	Modern Track Machinery	Elgin	IL
69	Moore Wallace NA	Edison	NJ
70	Morbern Inc.	Toronto	ONT
71	Motive Equipment	New Berlin	WI
72	National Railway Supply	Savannah	GA
73	Nordco Rail Services, LLC	Lee's Summit	MO
74	North American Bus Industries	Delaware	OH
75	North American Specialty Glass	Trumbauersville	PA
76	Orgo-Thermit, Inc.	Lakehurst	NJ
77	ORX Railway Corporation	Tipton	PA
78	Pandrol USA	Bridgeport	NJ

EXHIBIT A

SOLE SOURCE/SINGLE SOURCE VENDORS NJ TRANSIT
FY 2012

79	Panel Components	Stanhope	NJ
80	Penn Machine Company	Carnegie	PA
81	Portec Inc. RMP	Pittsburgh	PA
82	Precision Transmission	Colmar	PA
83	Prevost-Novabus Parts	Elgin	IL
84	Pyle Connector Corporation	Sidney	NY
85	Qual-Tran Corporation	Blue Bell	PA
86	Quantum Engineering, Inc.	Orange Park	FL
87	Quester Tangent	Saanichton, B.C.	Canada
88	Rail Systems, Inc.	Houna	LA
89	Railroad Friction Prod	Laurinburg	NC
90	Rails Company	Maplewood	NJ
91	RFL Industries	Boonton	NJ
92	Rossbro Group	Blainville, QC	Canada
93	RTR Technologies, Inc.	Stockbridge	MA
94	Safetran Systems	Louisville	KY
95	Saft America, Inc.	Cockeysville	MD
96	Scantron Corporation	Irvine	CA
97	Schunk Graphite Technology	Menomonee Falls	WI
98	Siemens Building Tech.	Pine Brook	NJ
99	Siemens Energy & Automation	Elgin	IL
100	Siemens Industry, Inc.	Elgin	IL
101	Simmons Machine Tool Corp.	Albany	NY
102	Simplex Grinnell	Rockaway	NJ
103	Sixnet, LLC.	Ballston Lake	NY
104	Sperry Rail Service	Danbury	CT
105	Standard Steel, LLC	Burnham	PA
106	Stavola Construction Materials	Bound Brook	NJ
107	Technologies LBBA	Quebec	CA
108	Tessco Technologies, Inc.	Hunt Valley	MD

ITEM 1105-17: LOW-FLOOR TRANSIT BUSES: PURCHASE OF 39 VEHICLES

BENEFITS

The purchase of 39 low-floor transit buses will replace aging 1999 Nova B buses which have exceeded their useful life and are eligible for replacement under Federal Transit Administration guidelines. The new buses will introduce low-floor buses to New Jersey. They will be equipped with powered wheelchair ramps and a kneeling feature, and will be compliant with Americans with Disabilities Act (ADA) mandates. The new buses will also incorporate technologies to reduce exhaust emissions as prescribed by the Clean Air Act Amendment. The new buses will have Diesel Particulate Filters to reduce particulate matter (PM) emissions and a diesel oxidation catalyst to reduce NOx emissions.

PURPOSE

Authorization of this contract will allow for the purchase of 39 new low-floor transit buses for use by NJ TRANSIT Bus Operations.

All buses will be 102 inches wide and approximately 30 feet long. The operating life of the new buses is expected to be 12 years or 500,000 miles. Twenty-six buses will be used on Routes 501, 504 and 505 in the Atlantic City area and the remaining 13 buses will be used by NJ TRANSIT Morris, Inc. on Routes 871, 872, 873, 874, 875, and 880.

ACTION

Staff seeks authorization to enter into a contract (No. 11-029) with North American Bus Industries (NABI) of Anniston, Alabama, for the purchase of 39 low-floor transit buses plus capital spare parts at a cost not to exceed \$17,230,223 plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: \$ 17,230,223 + 5% contingency

Total Project Cost: \$ 18,195,000

Projected Date of Completion: December 2012

Anticipated Source of Funds: Transportation Trust Fund

Diversity Goal: 0% SBE

NJ Build Amount: None

Future Related Authorizations: Option for 10 additional vehicles

Impacts on Subsequent Operating Budgets: \$ 429,000 savings during warranty period

RESOLUTION

WHEREAS, this procurement will replace 39 Nova B buses manufactured in 1999 that will be overage and eligible for replacement; and

WHEREAS, upon completion of a competitive procurement process, North American Bus Industries (NABI) was determined to be the lowest responsive, responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a contract (No. 11-029) with North American Bus Industries (NABI) of Anniston, Alabama, for the purchase of 39 low floor transit buses plus capital spare parts at a cost not to exceed \$17,230,223 plus five percent for contingencies, subject to the availability of funds.

ITEM 1105-18: MORRISTOWN LINE KINGS ROAD RETAINING WALL AND ELM STREET BRIDGE REPAIRS IN MADISON, NEW JERSEY

BENEFITS

NJ TRANSIT's Morristown Line serves nearly 55,000 people daily in Morris, Union, & Essex counties. Much of the historic Morristown Line is grade separated on embankments, viaducts, and bridges. Originally constructed by the Delaware, Lackawanna & Western Railroad, these structures were often built with reinforced concrete, an innovative building method at the time.

In the Borough of Madison, a concrete retaining wall along Kings Road carries the railroad through the borough's business district. The Elm Street Bridge, also a concrete structure, supports the railroad over Elm Street. Repairs to the Kings Road retaining wall and Elm Street bridge will repair and restore the structures to good condition.

PURPOSE

The scope of work to repair and restore the Kings Road retaining wall and the Elm Street bridge includes repair and replacement of deteriorated concrete structural elements. These structural repairs include replacement of portions of the retaining wall balustrade and bridge and concrete patching and crack repairs to the deteriorated face of the retaining wall.

ACTION (Capital Program Justification: State of Good Repair and Safety)

Staff seeks authorization to enter into a contract (No. 11-053X) with Precision General Contractors, Inc. of Livingston, New Jersey to perform the repairs to the Kings Road Retaining Wall and Elm Street Bridge on NJ TRANSIT's Morristown Line, in the Borough of Madison, Morris County at a cost not to exceed \$1,368,000, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACT

Requested Contract Authorization:	\$1,368,000 + 5% contingency
Total Project Cost	\$1,446,980
Projected Date of Completion:	April 2012
Anticipated Source of Funds:	TTF

Diversity Goal: SBE 21%

NJ Build: \$6,840

Future/Related Authorization: No

RESOLUTION

WHEREAS, NJ TRANSIT's Morristown Line serves nearly 55,000 people daily in Morris, Union, & Essex counties; and

WHEREAS, much of the historic Morristown Line is grade separated on embankments, viaducts, and bridges; and

WHEREAS, the concrete structural elements of Kings Road retaining wall and Elm Street bridge in the Borough of Madison have deteriorated; and

WHEREAS, repair of these concrete structural elements will maintain the structural integrity and ensure reliable train service; and

WHEREAS, following a competitive procurement process, Precision General Contractors, Inc. submitted the lowest responsive bid;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a contract (No. 11-053X) with Precision General Contractors, Inc. of Livingston, New Jersey to perform the repairs to the Kings Road Retaining Wall and Elm Street Bridge on NJ TRANSIT's Morristown Line, in the Borough of Madison, Morris County at a cost not to exceed \$1,368,000, plus five percent for contingencies, subject to the availability of funds.

ITEM 1105-19: RIVER LINE SIGNAL SYSTEM IMPROVEMENTS: CONTRACT AMENDMENT FOR DESIGN AND CONSTRUCTION

BENEFITS

The River LINE is a 34.5-mile light rail service operating between Camden and Trenton, serving 19 communities in three counties. The River LINE is operated under a Design/Build/Operate/Maintain (DBOM) contract with Southern New Jersey Rail Group, LLC (Rail Group). Revenue operations began in March 2004 for a 10-year Operations and Maintenance Period.

The signal system improvements will enhance operational safety and system reliability, reduce delay recovery time and improve clearance times between the Camden Yard Facility and the main-line track.

PURPOSE

The signal system improvements include the installation of electric locks at the River LINE's freight sidings, eliminating the need for train crews to manually operate the switches; reducing the length of a train occupancy block to improve operations and delay recovery times; installation of universal power supply (UPS) devices at track switching locations to ensure continued operations during power failures; improving the access from the southern end of the rail yard to the main line track; reducing the length of six long track circuits to mitigate the potential for loss-of-train detection; and, the replacement of standard fluorescent bulbs with LEDs at the grade crossings along the entire alignment for better lighting levels and longer bulb life. The scope of work also includes support for flagging, safety certification, control center integration, and commissioning of the improvements.

In March 2010, Rail Group was awarded a contract to provide construction support activities for the final design and construction of the Pennsauken Transfer Station Phase I River LINE Station. Rail Group's contractual obligations require that they maintain the signal system and protect all construction related activities impacting passenger safety, employee safety and quality of service.

Rail Group has been certified to be the sole-source vendor for the River LINE Signal System Improvements in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16:72-1.5 and Executive Order No. 37.

ACTION

Staff seeks authorization to amend the sole source contract (No. 10-022) with Southern New Jersey Rail Group, LLC of Camden, New Jersey, for signal system improvements on the River LINE at a cost not to exceed \$2,400,000, plus five percent for contingencies, for a total contract authorization of \$2,919,525, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: This Authorization \$ 2,400,000 + 5% contingency
Total Authorization \$ 2,919,525

Total Project Cost: \$ 2,779,000

Projected Date of Completion: February 2013

Anticipated Source of Funds: Federal Transit Administration (ARRA)
Transportation Trust Fund

Diversity Goal: Race Neutral Goal

NJ Build Amount: N/A

Future Related Authorizations: None

Impact on Subsequent Operating Budgets: None

RESOLUTION

WHEREAS, the River LINE is a 34.5-mile light rail service operating between Camden and Trenton serving 19 communities in three counties; and

WHEREAS, NJ TRANSIT has identified the River LINE Signal Improvement System Project as essential to improving the safety and reliability of River LINE light rail operations; and

WHEREAS, it has been determined that Southern New Jersey Rail Group, LLC is the sole source vendor for the signal system improvements and construction support in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16:72-1.5 and Executive Order No.37;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend the sole source contract (No. 10-022) with Southern New Jersey Rail Group, LLC of Camden, New Jersey, for signal system improvements on the River LINE at a cost not to exceed \$2,400,000, plus five percent for contingencies, for a total contract authorization of \$2,919,525, subject to the availability of funds.

CONSENT CALENDAR

**ITEM 1105-20: INFORMATION TECHNOLOGY AUDIT SERVICES
AGREEMENTS**

BENEFITS

The NJ TRANSIT Internal Audit Plan includes information technology (IT) audits based on the annual Company-wide risk assessment process. Certain IT audits require technical expertise not currently available within the NJ TRANSIT Internal Audit Department. In support of NJ TRANSIT Internal Audit Department IT Audit Plan, staff is recommending the acquisition of technical IT audit services for a three-year period and two option years to supplement current NJ TRANSIT Internal Audit resources. Contracted IT audit services will enhance Internal Audit's ability to address significant IT governance, risk, and control processes and provide a resource to further develop the IT capabilities within the Internal Audit Department. In addition, this will provide the Internal Audit Department the flexibility to procure required specialized skills as needed based on each audit project.

PURPOSE

NJ TRANSIT intends to make up to three awards to three independent firms for master agreements for technical IT audit services. Audits may include, but not be limited to application control reviews, IT risk management, application security, data center operations, change management, IT governance, security, back-up and retention, penetration and vulnerability testing, access management, etc. For each required IT audit identified in the Audit Plan, each firm will have the opportunity to submit a bid for consideration based on the terms and conditions set forth in the master agreement.

ACTION (IT Risk, Efficiency and Effectiveness)

Staff seeks authorization to award contracts to the three qualified firms listed below to perform co-sourced IT audit services for a three-year term with two option years and a total not to exceed \$750,000, plus five percent contingency subject to the availability of funds.

1. Altran Control Solutions, New York, New York
2. Clifton Gunderson LLP, Haddonfield, New Jersey
3. Grant Thornton LLP, Mount Laurel, New Jersey

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS:

Requested Authorization: \$750,000 (Three-year contract with two one year options; \$150,000 per year) + 5% contingency

Completion Date: June 2014 (June 2016 with options)

Anticipated Source of Funds: Operating Funds

Diversity Goal: 0% SBE

Future/Related Authorizations: N/A

**Impacts on Subsequent
Operating Budgets:**

FY12 - \$150,000

FY13 - \$150,000

FY14 - \$150,000

FY15 - \$150,000 (option year 1)

FY16 - \$150,000 (option year 2)

RESOLUTION

WHEREAS, NJ TRANSIT's risk-based Internal Audit Plan includes Information Technology (IT) audits requiring specialized technical knowledge; and

WHEREAS, NJ TRANSIT Internal Audit Department needs to acquire specialized technical skills necessary to perform the planned IT audits; and

WHEREAS, after a competitive procurement process, it was determined that the proposed firms are technically qualified to perform contracted IT audit services;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to award contracts to Clifton Gunderson LLP, Altran Control Solutions, and Grant Thornton LLP to perform co-sourced IT audit services for a three-year term with two option years and a total not to exceed \$750,000, plus five percent contingency subject to the availability of funds.

ITEM 1105-21: TICKETS BY MAIL LOCKBOX SERVICES**BENEFITS**

This authorization will enable NJ TRANSIT to maintain the lockbox service for the collection of Tickets By Mail customer payments. This lockbox service will allow for the prompt and accurate recording of customer payments as well as returned tickets.

PURPOSE

This authorization will allow NJ TRANSIT to enter into an agreement to provide the collection, processing and application of bus and rail revenue payments from Tickets By Mail customers. This is a subscription service which depends on timely payment from the customer for continuation of service.

ACTION (Justification: Business Efficiencies)

Staff seeks authorization to contract with JP Morgan Chase Bank, NA to provide Tickets By Mail Lockbox Services for a period of three years with two one-year options at a cost not to exceed \$266,495.

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS

Requested Authorization:	Contract for lockbox services at a cost not to exceed \$266,495 for the five year period
Total Project Cost:	\$266,495
Projected Date of Completion:	July 18, 2016
Anticipated Source of Funds:	Operating Budget
Diversity Goals:	0% SBE
Related/Future Authorizations:	N/A
Impact on Subsequent Operating Budgets:	\$52,818 annually: July 2011 – June 2014, \$54, 020 annually: July 2014 – June 2016

RESOLUTION

WHEREAS, NJ TRANSIT staff has identified an opportunity to maintain the current service at a reasonable cost; and

WHEREAS, upon completion of a competitive procurement process, it was determined that JP Morgan Chase Bank, NA submitted the most advantageous proposal to NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with JP Morgan Chase Bank, NA to provide Tickets By Mail lockbox for a period of three years with two one-year options at a cost not to exceed \$266,495, subject to the availability of funds.

**ITEM 1105-22: HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION:
SELECTION OF LOCALLY PREFERRED ALTERNATIVE**

BENEFITS

The existing Hudson-Bergen Light Rail (HBLR) West Side Avenue Branch terminates at West Side Avenue Station in Jersey City. The municipality is planning, in partnership with private land owners, substantial new residential, commercial and retail development approximately one-half mile west of the existing West Side Avenue HBLR station, in the vicinity of State Route 440. Up to 8,100 housing units and 1.8 million square feet of commercial space have been approved at Bayfront and New Jersey City University plans a new West Campus immediately east of State Route 440 south of Carbon Place. The City has included an HBLR extension in the Circulation Element of its Master Plan. The approved maximum density levels at Bayfront are predicated on introduction of a fixed guideway transit option to support this development. Existing residential communities would also benefit from extension of the West Side Avenue Branch.

HBLR began operation in April 2000. Since then, a series of system expansions have been completed, including service north to North Bergen and south into Bayonne. The system carries over 40,000 average weekday passenger trips. The HBLR Route 440 Extension Alternatives Analysis (AA) analyzed the utility and effectiveness of extending the system west to the redevelopment area west of State Route 440, while ensuring that HBLR continues to provide efficient and effective service.

PURPOSE

The designation of the HBLR Route 440 Extension Locally Preferred Alternative (LPA) follows a federally prescribed alternatives analysis (AA) process. NJ TRANSIT has engaged in the AA process working closely with the Federal Transit Administration (FTA). This process evaluated alternatives to provide improved transit service to the western waterfront area of Jersey City to serve existing residences and businesses and planned new development. The analysis considered the potential engineering constraints, costs, ridership benefits, operational concerns, environmental impacts, and public acceptance of the project.

This authorization will formally designate the LPA for submission to the North Jersey Transportation Authority (NJTPA), the federally-designated Metropolitan Planning Organization in northern New Jersey. The project must be included in the NJTPA Long Range Regional Transportation Plan to be eligible for federal funding. The HBLR Route 440 AA LPA formally designates the configuration of tracks, stations, and other improvements that will be advanced as a project for the HBLR extension from the existing West Side Avenue Station

This LPA generally includes construction of a 0.7-mile, two-track HBLR extension from the existing West Side Avenue Station across State Route 440 to the northern end of the Bayfront redevelopment site. The extension would be constructed entirely on viaduct and would include a new center-island terminal station at Bayfront. A description of the LPA is attached as Exhibit A.

ACTION (Capital Program Justification: System Expansion)

Staff requests that the NJ TRANSIT Board of Directors adopts the HBLR Route 440 AA Locally Preferred Alternative set forth in Exhibit A.

Staff also requests authorization to submit the HBLR Route 440 AA Locally Preferred Alternative to the North Jersey Transportation Planning Authority Board of Trustees for designation and inclusion in the North Jersey Transportation Planning Authority's Long Range Regional Transportation Plan.

FISCAL IMPACT

Requested Authorization:	Adoption of the HBLR Route 440 AA Locally Preferred Alternative
Total Project Cost:	\$ 830,000 (Alternatives Analysis)
Projected Date of Completion:	N/A
Anticipated Source of Funds:	Federal Transit Administration New Jersey Transportation Planning Authority
Diversity Goal:	N/A
NJ Build Amount:	None
Future Related Authorizations:	Preliminary engineering Final engineering and design Construction
Impact on Future Operating Budgets:	None

RESOLUTION

WHEREAS, extensive new residential, commercial and retail development is planned in western Jersey City in the vicinity of State Route 440; and

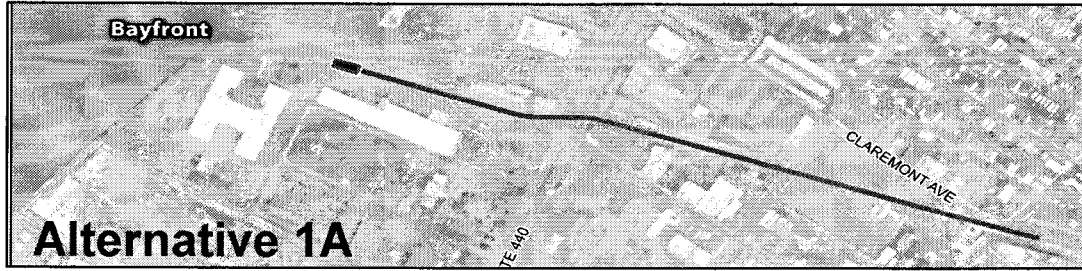
WHEREAS, NJ TRANSIT has completed an Alternatives Analysis (AA) for the extension of the Hudson Bergen Light Rail (HBLR) system to this development as part of the Federal Transit Administration's Major Transit Investments process;

WHEREAS, the HBLR Route 440 AA Locally Preferred Alternative formally designates the configuration of tracks, stations, and other improvements that will be advanced as a project for the HBLR extension from the existing West Side Avenue Station; and

WHEREAS, the Locally Preferred Alternative must be formally adopted and included in the North Jersey Transportation Planning Authority's fiscally-constrained Long Range Regional Transportation Plan to make the project eligible for federal funding;

NOW, THEREFORE, BE IT RESOLVED that the NJ TRANSIT Board of Directors adopts the HBLR Route 440 AA Locally Preferred Alternative set forth in Exhibit A; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to submit the HBLR Route 440 AA Locally Preferred Alternative to the North Jersey Transportation Planning Authority Board of Trustees for designation and inclusion in the North Jersey Transportation Planning Authority's Long Range Regional Transportation Plan.



LOCALLY PREFERRED ALTERNATIVE ALIGNMENT

HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION LOCALLY PREFERRED ALTERNATIVE



**HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION
LOCALLY PREFERRED ALTERNATIVE**

February 2011

*HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION LOCALLY PREFERRED ALTERNATIVE***1. INTRODUCTION**

The City of Jersey City is planning for substantial redevelopment and growth along its western waterfront with a mix of new residential, commercial, and institutional uses on former industrial sites. Major projects planned in the area include Bayfront, the new West Campus of New Jersey City University (NJCU), and proposed improvements to State Route 440 (Figure 1). The success of this redevelopment depends in part on improved transit connectivity between the western waterfront and points to the east.

Prior planning efforts by Jersey City identified extension of the existing Hudson-Bergen Light Rail (HBLR) system's West Side Avenue Branch to serve the western waterfront as the best way to improve transit connectivity. Following these efforts, and working with local stakeholders, NJTRANSIT investigated an extension of the HBLR system, or alternative transit service to improve access to the HBLR system, for existing and future residents and workers of the western waterfront and adjoining neighborhoods.

The HBLR Route 440 Extension Alternatives Analysis (AA) considered alternatives to improve mobility in the western waterfront by providing convenient connections to the existing HBLR West Side Avenue Station. Consistent with Federal Transit Administration (FTA) requirements for New Starts/Small Starts projects, the AA identified options for enhancing transit connectivity in the western waterfront, evaluated potential alternatives, and recommended a Locally Preferred Alternative (LPA). These options included both light rail and bus/shuttle options. This report summarizes that effort.

2. THE HBLR ROUTE 440 ALTERNATIVES ANALYSIS

The HBLR Route 440 AA was initiated in September 2009. The evaluation process considered costs, benefits, operational impacts, potential environmental impacts, and issues raised by the public for a wide range of alternatives that could address the transportation issues discussed in Section 1. The evaluation of alternatives and recommendation of the LPA included participation of the public, elected officials, and a range of interested parties. A Technical Advisory Committee (TAC) was established to facilitate coordination with interested stakeholders, including representatives of relevant city, county, and state agencies and of the Bayfront and NJCU redevelopment teams. Three TAC meetings and three public open houses were held during the AA. Each phase of the process was described during these meetings and open houses and input was solicited and incorporated into the evaluation. A project web site was established to disseminate information and receive public input.

The objective of the AA was to identify the alternative that best met the goals established for the analysis, out of all feasible options, and to select and advance that alternative as the LPA. Given the redevelopment and planning efforts to date, the AA goals were established to consider and balance the interests of all stakeholders. The AA goals were:

1. Support existing and proposed development in the West Side community;
2. Minimize effects on existing and proposed HBLR operations; and
3. Minimize adverse effects on the built and natural environment.

These goals were presented at an initial TAC meeting in February 2010 and at a public open house in March 2010.

Long List of Alternatives

An initial "Long List" of Alternatives was developed that included a Transportation Systems Management (TSM) Alternative as required by the FTA AA process, and light rail alignments that extended northward, westward, and southward from the West Side Avenue Station to the Lincoln Park,

HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION LOCALLY PREFERRED ALTERNATIVE

Bayfront and Society Hill areas, respectively, of the western waterfront. A refined Long List was developed after analysis of traffic flows and operational issues on State Route 440 indicated that alternatives that crossed this road at grade should be eliminated. The refined Long List also responded to public input by including an assessment of a new station location just east of State Route 440. The Long List of Alternatives was presented at a TAC meeting in February 2010 and public open house in March 2010.

Short List of Alternatives

The refined Long List was narrowed based on the ability of each to meet the project's goals. If an alternative did not at least partially meet all three project goals, it was eliminated from consideration. This analysis eliminated all alternatives terminating in Lincoln Park or Society Hill based on inconsistency with local planning efforts, potential harm to HBLR operations, and potential substantial property impacts. This resulted in the development of the "Short List" of Alternatives, presented at a TAC meeting in September 2010 and at a public open house in October 2010. As with the Long List, the Short List included, per the FTA AA process requirements, a Transportation Systems Management (TSM)¹ option that would meet the same goals as the light rail alternatives with minimal capital investment.

Evaluation of Short List Alternatives

Figure 2 shows the alternatives that were advanced to the Short List. The evaluation of these alternatives considered their consistency with the project's goals and with the objectives established for each goal. In order to select the Locally Preferred Alternative, the Short List alternatives were compared to determine the alternative that best met each of the project goals and their respective objectives.

The Short List alternatives are listed below:

- The TSM Alternative, a shuttle bus service between the West Side Avenue Station and the western waterfront, with stops at Society Hill (an existing residential development), the NJCU West Campus, and Bayfront. Shuttles would meet the arrival and departure of each HBLR train at West Side Avenue Station.
- Alternative 1A, which included a 0.7-mile, two-track extension on viaduct and an elevated center island platform terminal station at the northern end of the Bayfront site.
- Alternative 1C, which was very similar in alignment and profile to Alternative 1A, but included an elevated intermediate station east of State Route 440, also with a center-island platform.
- Alternative 1D, which did not extend to the Bayfront site. It included a 0.4-mile, two-track extension on viaduct to a new terminal station east of State Route 440.

The project goals and objectives are listed below:

Goal #1: Support existing and proposed development in the West Side community

- Improve access to existing destinations in the study area
- Increase ridership on HBLR system
- Support the Bayfront Redevelopment Plan
- Support the New Jersey City University Master Plan
- Support the planned redevelopment of Route 440

¹ In accordance with FTA guidance, the TSM alternative should represent the "best that can be done" to address a project's stated transportation goals without a major capital investment. In the case of this study, the TSM alternative was a shuttle bus connecting the western waterfront area with the existing West Side Avenue HBLR station. Three TSM alternatives were developed during the development of the Long List of Alternatives and one of those was selected to carry forward to the Short List of Alternatives.

*HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION LOCALLY PREFERRED ALTERNATIVE***Goal #2: Minimize effects on existing and proposed HBLR operations**

- Provide improved transit access continuing from the existing West Side Avenue terminal
- Avoid substantial compromises to existing HBLR timetables
- Minimize capital and operating and maintenance costs
- Implement within a reasonable timeframe
- Accommodate other planned systemwide HBLR capital improvements

Goal #3: Minimize adverse effects on the built and natural environment

- Avoid property acquisition to the maximum extent feasible
- Avoid, minimize, or mitigate adverse impacts on historic resources
- Minimize encroachment on view corridors
- Maintain access to existing and future residences and businesses in the study area
- Reduce vehicular congestion, emissions, and noise
- Avoid impacts to Route 440 operations to the extent feasible
- Minimize construction impacts to the extent feasible
- Avoid impacts on parklands, open space, natural features, and coastal waters

*Selection of Locally Preferred Alternative**TSM Alternative*

The TSM Alternative would have minimal infrastructure requirements and limited, if any, environmental impacts. It would also be far less costly to implement than the other three alternatives. However, it would provide, by far, the least robust improvement to transit service and would attract the fewest new riders to the HBLR system. At the same time, it would have highest annual operating and maintenance costs. It would also not provide high-capacity, light-rail service to the Bayfront, which is inconsistent with the City of Jersey City's approved plan for Bayfront. Therefore, the TSM Alternative was not recommended as the LPA.

Alternative 1C

Alternative 1C was not selected as the LPA for three main reasons: 1) it did not attract substantially more riders than Alternative 1A; 2) it had a greater impact on HBLR operations due to close spacing between stations and resultant acceleration/deceleration impacts on travel time; and 3) it was the most expensive of the four options considered in the Short List.

Alternative 1D

Alternative 1D was not selected for two main reasons: 1) it resulted in substantially fewer new riders than Alternative 1A; and 2) it did not accomplish the goals set forth in local redevelopment plans and does not allow for the additional development available to Bayfront should HBLR be extended to the site. (The redevelopment plan for Bayfront adopted by the City of Jersey City specifies maximum permitted threshold for development of residential and office construction that are substantially higher if HBLR service is present.)

Alternative 1A (the Locally Preferred Alternative)

When all goals and objectives are considered, Alternative 1A performs better than the TSM Alternative or Alternative 1C or 1D. While Alternative 1A is more costly than the TSM Alternative and Alternative 1D, it directly serves Bayfront and generates substantially more new riders than these less costly alternatives. Alternatives 1A and 1C would have nearly the same benefits with respect to Project Goal 1 (Support existing and proposed development in the West Side community) and Project Goal 3 (Minimize adverse effects on the built and natural environment). While Alternative 1A attracts slightly fewer riders to the HBLR system than Alternative 1C, it poses less threat to the integrity of the HBLR operating plan and has

HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION LOCALLY PREFERRED ALTERNATIVE

lower capital, operating, and maintenance costs. Therefore, Alternative 1A fares more favorably with respect to Project Goal 2 (Minimize effects on existing and proposed HBLR operations). For these reasons, Alternative 1A is considered the best option to move forward as the Locally Preferred Alternative. The following table summarizes the capital cost, operating and maintenance cost, and forecasted ridership for each alternative.

Table 1: Short List of Alternatives Cost and Ridership Summary

Alternative	TSM	IA (To Bayfront, One New Station)	IC (To Bayfront, Two New Stations)	ID (To Bayfront, New Route 440 East Station only)
Capital Cost (in millions, 2017 dollars)	\$2.9	\$213	\$241	\$142
Operating & Maintenance Cost (in millions, 2019 dollars)	\$2.6	\$1.8-2.0	\$1.8-2.0	\$1.0-1.2
Total Daily HBLR Boardings (2035)*	4,785	9,100	9,380	6,360
Total Daily HBLR Boardings above Baseline (2035)*	385	4,700	4,980	1,960
Note:	* Total daily HBLR boardings are for West Side Avenue Station plus new stations. The ridership forecast projects 4,400 HBLR customers at the West Side Avenue Station in the 2035 Future Baseline condition.			

Public Outreach

The results of this analysis were presented to the TAC on February 1, 2011, and at a public open house on February 2, 2011. Comments on this analysis were accepted through February 15, 2011 and were incorporated into the final Alternatives Analysis report. It should be noted that no major opposition was raised during or after the TAC meeting and open house. The project team believes that given the extensive public outreach during the entire AA process, all issues of concern to the public had already been aired and addressed as appropriate.

3. THE LOCALLY PREFERRED ALTERNATIVE

The HBLR Route 440 Extension AA LPA includes:

- An approximately 3,700-foot double-track extension of the HBLR system from the existing West Side Avenue Station;
- A new center-island platform Bayfront Station capable of accommodating 3-car consists;
- New pedestrian access to the existing West Side Avenue Station from points east; and
- Modifications to the existing West Side Avenue Station and parking lot to accommodate the extension.

The LPA will connect the HBLR system (providing access to the Jersey City waterfront, PATH, and other destinations) with major redevelopment (both residential and commercial) planned for Jersey City's western waterfront. If the issues listed below continue to be considered during project planning and development, it will fully meet the goals and objectives of the project as established in the AA.

*HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION LOCALLY PREFERRED ALTERNATIVE**Links to Local Development*

While local statute links full redevelopment of the Bayfront site to the presence of the HBLR extension, NJ TRANSIT staff recommends that the implementation of the LPA be contingent on noticeable progress on the Bayfront project, which is the major project most closely linked to the HBLR extension. Close coordination with Jersey City and others will be required as both the western waterfront redevelopment and the HBLR LPA advance.

Rail Capacity and Reliability

Analysis undertaken during the AA indicates that the LPA would not have a detrimental impact on the operations of the existing West Side Avenue–Tonnel Avenue HBLR service. The LPA will not compromise existing schedules or require additional new fleet. However, should other extensions or expansions of the existing system be contemplated, it is possible that they will have operational impacts to the overall system since some of the schedule “slack” in the current schedule will have been consumed by the Route 440 extension. Additional analysis would be required to determine the impact of other systems expansions.

Public Involvement

Public involvement has been central to the development of the LPA, with the goal of informing people about the need for the project, to reach a broad consensus on the best alternative, and to build the support for the project. It is anticipated that the active public involvement program will continue throughout the design and implementation of the project.

4. HBLR ROUTE 440 EXTENSION PROJECT COSTS & FINANCING PLAN*Capital Costs*

Analysis undertaken during the AA developed capital cost estimates in current (2010) and in escalated future year (2017) dollars. The year 2017 was used as a potential midpoint-of-construction year. Substantial contingency was added to the project at this stage of development. As the project advances and more detailed design information is developed, the costs will be revised, and it is anticipated that the amount of allocated contingency would decrease.

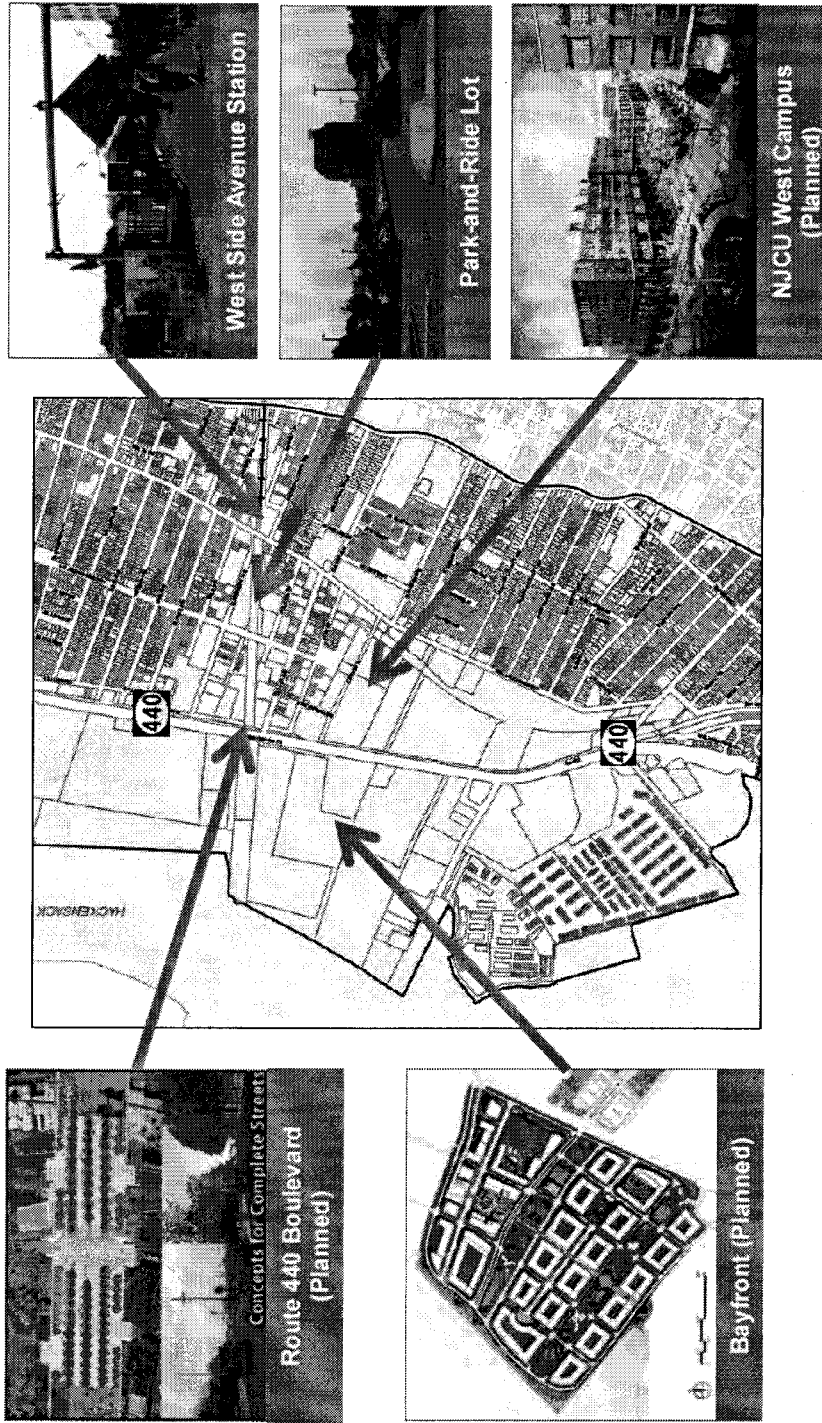
Operating and Maintenance Costs

Operating and Maintenance (O&M) costs for the LPA were developed as concept estimates for the existing NJ TRANSIT agreements with the system operator and the additional track mileage associated with the proposed extension. Actual O&M costs for the LPA would be subject to negotiations with the system operator.

Project Funding

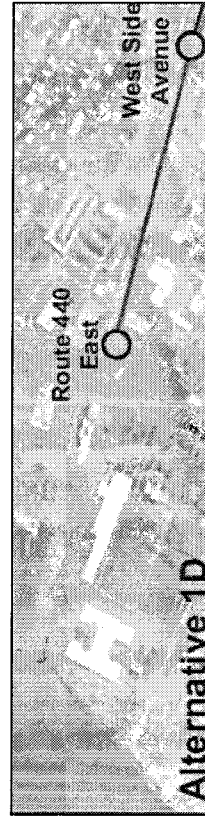
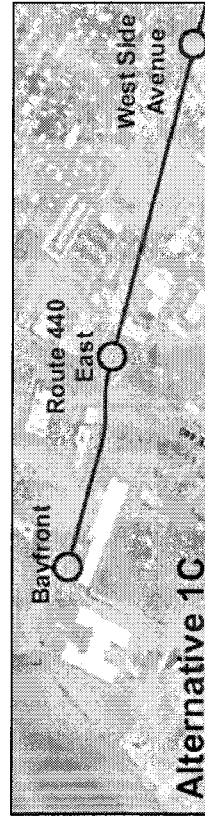
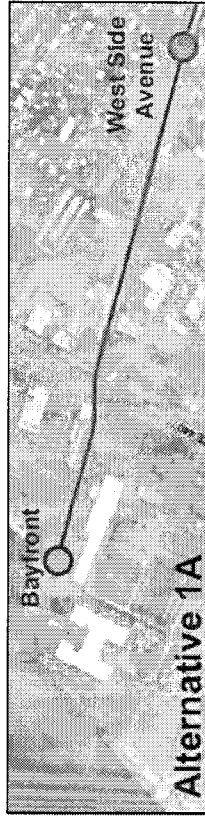
Project funding is anticipated to come from a variety of sources. The AA described in this report was performed consistent with FTA regulations, and NJ TRANSIT anticipates applying to the FTA for funding under its New Starts/Small Starts discretionary grant program. Although FTA funding can potentially fund one half of project costs, it is anticipated that it would supply no more than one-third of project costs based on current practice throughout the nation.

Additional funds may be generated from either public or private sources. NJ TRANSIT has been working with various departments within the City of Jersey City government as well as private interests involved in the Bayfront redevelopment to identify innovative strategies to capture some portion of the value that will accrue to the Bayfront project as a result of the HBLR extension. A report has been prepared concurrent with the AA that identifies some of these funding strategies and sources. NJ TRANSIT will continue to work with local stakeholders to advance this effort.

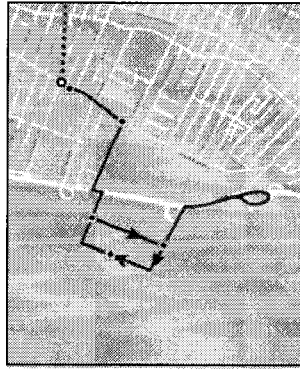


Project Location and Future Plans
Figure 1

Light Rail Alternatives



TSM Alternative



- Shuttle bus stops at:
- HBLR West Side Ave. Station
 - NJCU West Campus
 - Bayfront
 - Society Hill

Short List of Alternatives
Figure 2